Economic Indicators

ISSN 0015-2757

A Monthly Report by the Research Division Dr. Thomas K. Hitch, Senior Vice President Shurei Hirozawa, Vice President October 1979

NOV 28 '79

C 3500-1

Higher Corn Yields Start Here

In a world of rapidly increasing population and rising expectations, the growing demand for food is a never-ending challenge for agricultural scientists. As the largest exporter of food and feed grains, the United States has been able to feed a large part of the world by increasing agricultural yields through research. For more than a decade now, Hawaii has played a part in research contributing to increased yields of corn, the major American grain crop. Another research season has started, with hundreds of new hybrid varieties sprouting on farms from the Big Island to Kauai.

The development of hybrid corn through inbreeding in the 1920s was a major breakthrough for American agriculture. A hybrid variety was first planted commercially in Iowa around 1930, when American farmers were getting yields averaging 20 bushels per acre. By 1943 all of Iowa's corn farmers were using hybrid seeds, and corn yield rose to 33 bushels per acre. It wasn't until 1956 that all of the nation's farmers switched to hybrid corn. Yields climbed steadily to 47 bushels in 1956, 74 bushels in 1965, and 97 bushels in 1972. Because of bad weather, it wasn't until 1978 that U.S. farmers passed the 100-bushel mark, averaging 101 bushels an acre.

Hawaii's contribution in the search for higher-yielding hybrids is its year-round growing season. It takes 12 generations to transfer genes from one variety to the next and develop a new hybrid. On the Mainland, where only one crop can be grown annually, it would take 12 years to develop a new hybrid. In Hawaii, it is possible to get three crops a year, and the development of a hybrid can be compressed into four years to speed development of new varieties. The first generation is grown on the Mainland and the next two can be grown in Hawaii during the fall and winter.

Probably the first to discover Hawaii as a potential research site was Roland Holden of Holden Foundation Seeds Inc. of Williamsburg, Iowa. He came to Hawaii in 1967 in search of a location to grow seed corn because a blight was attacking the corn belt at that time. He established Hawaiian Research Ltd. on Molokai about the time that Molokai Seed Service was also getting started. Holden moved his firm to Kauai in 1970, but returned in 1972 when Molokai Seed Service went out of business. Pioneer Hi-Bred International, among the largest seed corn producers and distributors in the nation, put its first crop in at Waimea, Kauai, in the winter of 1968. A year later, Trojan Seeds—which was acquired by Pfizer Genetics a few years ago—began operations in Kihei, Maui, on land leased from Hawaiian Commercial and Sugar Co. Northrup King's Pride Seed Division started its research work around that time in Waimea, Kauai. DeKalb AgResearch Inc., another big factor in the corn business, had been doing its research at Ewa Beach, Oahu, but its lease expired this year and the operation was moved to Kauai this past summer. The sixth firm doing work in the state is RBA Seeds, which has leased around 86 acres from Kohala Corp. on Hawaii. These six research firms are farming over 500 acres on the four islands.

The research stations in Hawaii have three kinds of capabilities—development of new hybrids, growing out of new hybrid seeds to check their genetic purity, and seed increase.

Hawaiian Research is not a seed company like the others, but does custom work for seed companies, including Holden Foundation Seeds, Pioneer Hi-Bred, Cargill, Funks, and a hundred other customers. For example, a seed company sent a pound of hybrid seeds in March 1978 with a seed increase order. The pound of seeds was planted, and the seeds that were harvested were planted again. By March 1979 Hawaiian Research had shipped 25,000 pounds of seeds to the customer to plant for the third go-round. When this third crop is harvested, there will be enough seeds for sale to plant 160,000 acres in 1980. Hawaiian Research has been working on a new hybrid that is expected to increase yield dramatically. This new hybrid has upright leaves rather than the traditional gracefully arching leaves that create a shaded diameter of four feet or more. The new hybrid is not a beautiful sight, but its upright leaves allow more sunlight to get down to the lower leaves and also allow for denser planting, both of which increase yields. This hybrid has been planted commercially in a field in Iowa, and scientists feel further improvements could push yields still higher.

Right now, the seed farms on the Mainland are harvesting their crops, and hundreds of new hybrid varieties are being shipped to Hawaii for planting. The geneticists from the seed companies will begin arriving soon and will stay through the winter to oversee the breeding operation. If there are dramatic breakthroughs in higher yields of corn in the Midwest in the 1980s and beyond, you can be almost sure that some of the ancestors of the high-yielding varieties first grew in Hawaiian soil.

Probably our readers are now asking why we can't grow corn commercially in Hawaii rather than shipping it in from Iowa. The answer is simple: although we can grow three crops a year versus Iowa's one, our high land costs, high water costs, high labor and material costs, high taxes and the lack of economies of scale (to be efficient you have to use very large and expensive farm machinery that is cost-effective only if thousands of acres are involved) all make growing corn in Hawaii a good bit more expensive than growing it in Iowa. Even with freight at about $67 a ton, we can buy Iowa corn cheaper than we can grow it ourselves.

First Hawaiian Bank
Established 1858 • Member of F.D.I.C.

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	August 31	3,861.4	2.0	16.9
Honolulu County	mil. $	August 31	3,191.0	2.0	17.2
Maui County	mil. $	August 31	254.5	4.6	14.7
Hawaii County	mil. $	August 31	284.8	0.2	17.9
Kauai County	mil. $	August 31	131.1	1.2	12.8
BANK DEMAND DEPOSITS					
STATE	mil. $	August 31	1,235.5	1.4	16.6
Honolulu County	mil. $	August 31	1,033.7	0.9	15.9
Maui County	mil. $	August 31	86.0	10.9	20.1
Hawaii County	mil. $	August 31	80.2	−1.2	20.5
Kauai County	mil. $	August 31	33.6	2.3	19.6
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	August	6,486.3	4.8	20.3
Honolulu County	mil. $	August	5,932.0	5.1	19.8
Maui County	mil. $	August	250.3	−0.2	25.5
Hawaii County	mil. $	August	220.8	3.4	27.4
Kauai County	mil. $	August	83.2	10.2	21.8
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	August	63.45	4.3	5.9
Honolulu County	annual rate	August	69.16	4.8	6.2
Maui County	annual rate	August	35.90	−5.2	8.7
Hawaii County	annual rate	August	32.84	4.8	6.5
Kauai County	annual rate	August	30.01	7.1	3.5
TAX COLLECTIONS					
TAX COLLECTIONS—STATE	thous. $	August	179,956	135.7	14.6
	thous. $	Jan.-Aug.	859,831	.....	15.8
Honolulu County	thous. $	August	150,835	129.3	16.2
	thous. $	Jan.-Aug.	737,450	.....	15.4
Maui County	thous. $	August	10,294	182.0	7.3
	thous. $	Jan.-Aug.	46,622	.....	20.2
Hawaii County	thous. $	August	13,669	187.5	8.6
	thous. $	Jan.-Aug.	53,835	.....	16.1
Kauai County	thous. $	August	5,158	138.8	2.9
	thous. $	Jan.-Aug.	21,924	.....	16.6

civilian labor force, employment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	August	403.0p	−0.3	−0.3
Employment	thous.	August	379.1p	0	1.7
Unemployment	thous.	August	23.9p	−4.8	−24.5
Unemployment Rate	percent	August	5.9p	−4.8	−24.4
C & C OF HONOLULU					
Civilian Labor Force	thous.	August	315.7p	−0.4	−0.4
Employment	thous.	August	297.4p	−0.2	1.5
Unemployment	thous.	August	18.3p	−4.2	−23.8
Unemployment Rate	percent	August	5.8p	−3.3	−23.7
MAUI COUNTY					
Civilian Labor Force	thous.	August	33.7p	−0.4	0.9
Employment	thous.	August	32.0p	−0.2	3.9
Unemployment	thous.	August	1.7p	−8.1	−34.6
Unemployment Rate	percent	August	5.0p	−7.4	−35.9
HAWAII COUNTY					
Civilian Labor Force	thous.	August	35.4p	0.1	−2.6
Employment	thous.	August	32.5p	0.8	0
Unemployment	thous.	August	2.9p	−5.0	−25.0
Unemployment Rate	percent	August	8.1p	−5.8	−22.1
KAUAI COUNTY					
Civilian Labor Force	thous.	August	18.2p	0.3	2.2
Employment	thous.	August	17.2p	0.9	3.9
Unemployment	thous.	August	1.0p	−9.1	−20.0
Unemployment Rate	percent	August	5.5p	−9.8	−21.4
EMPLOYMENT BY INDUSTRY GROUPS (number of jobs)					
TOTAL JOBS-STATE[1]	thous.	August	425.6p	−0.7	0.8
SUGAR (mill and field)[1]	thous.	August	9.1p	−0.5	−1.6
PINEAPPLE (cannery and field)[1]	thous.	August	9.8p	−3.9	0.5
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	August	16.3p	−1.2	0.9
Durable Goods	thous.	August	4.9p	−2.0	5.4
Non-Durable Goods	thous.	August	11.4p	−0.9	−0.9
Apparel and Textiles	thous.	August	3.0p	−1.6	−7.7
DIVERSIFIED AGRICULTURE[1] (excluding sugar and pineapple, but including agricultural self-employed)	thous.	August	8.3p	0	−9.3
FEDERAL GOVERNMENT	thous.	August	29.8p	0.3	0.2
Civilian Agencies	thous.	August	11.1p	0.9	5.2
Defense Department	thous.	August	18.8p	0	−2.8
STATE GOVERNMENT	thous.	August	41.8p	0.5	1.6
COUNTY GOVERNMENT	thous.	August	17.4p	0.9	−6.5
CONTRACT CONSTRUCTION	thous.	August	21.9p	−0.9	6.1
TRANSPORTATION	thous.	August	19.6p	−1.0	−2.0
COMMUNICATION	thous.	August	6.8p	0	5.5
UTILITIES	thous.	August	2.5p	−2.0	−3.8
RETAIL TRADE	thous.	August	79.2p	−0.8	−0.4
WHOLESALE TRADE	thous.	August	17.0p	−0.9	−0.6
FINANCE, INSURANCE AND REAL ESTATE	thous.	August	29.8p	0.5	3.8
HOTEL SERVICES-STATE	thous.	August	24.0p	1.3	3.2
Honolulu County	thous.	August	15.1p	2.0	3.4
Maui County	thous.	August	3.9p	1.3	6.9
Hawaii County	thous.	August	3.2p	−1.5	−3.0
Kauai County	thous.	August	1.8p	−5.4	0
OTHER SERVICES	thous.	August	68.3p	−1.0	3.9
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	August	10.03p	−8.5	−3.6
Average Weekly Hours	hours	August	40.8p	3.6	7.9
MANUFACTURING					
Average Hourly Earnings	dollars	August	6.05p	−0.3	7.5
Average Weekly Hours	hours	August	39.4p	3.1	2.1
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	August	8.58p	−1.0	6.1
Average Weekly Hours	hours	August	43.7p	−1.8	−0.2
TRADE					
Average Hourly Earnings	dollars	August	5.22p	0.6	10.4
Average Weekly Hours	hours	August	34.1p	0.3	2.7
FINANCE					
Average Weekly Earnings	dollars	August	171.34p	−9.3	4.5
HOTELS					
Average Hourly Earnings	dollars	August	5.09p	−4.0	9.2
Average Weekly Hours	hours	August	32.8p	1.5	0.3
HIRED FARM WORKERS[2]					
Average Hourly Earnings	dollars	July	4.96		4.4
Average Weekly Hours	hours	July	39.8		5.6

p = preliminary.
[1]Series includes agricultural employment during April survey week.
[2]Includes some office and supervisory workers.

for local building supplies.

The next largest increase was recorded in construction where the value of construction totaled $773 million through July, 26.5% more than for the same time last year. Removing the effects of higher construction costs puts the increase in real terms at 15%. This phenomenal building pace comes as no surprise with the combined total of building permits and public contracts up 31% last year and up 35% so far this year.

Business in diversified manufacturing (excludes sugar milling and pineapple canning) was up 24.8% to $325 million in the first seven months of the year, most likely a reflection of the heady building pace.

The fourth and fifth largest gains were registered in services – up 21.6% to $2 billion – and retailing – up 17.4% to $3.4 billion. Performance in these two sectors is undoubtedly being buoyed by the strength in tourism this year where the number of visitors through August was up 10%. Sales slumped somewhat in the airline-plagued months of May and June, just barely keeping pace with inflation. Retail sales for the two months rose 11.7% and service sales rose 13.2%.

Sales of Hawaii's agricultural industries also waned in the months of interrupted air service. Sales that were up 15% in the first quarter of the year dropped to 6.6% cumulatively in April with the onset of the United Airlines strike. But sales continued to drop even after the resumption of normal air service, bringing the cumulative increase through July down to 3.6%. However, agriculture has been beset with a multitude of problems this year. Heavy rains early in the year, the airline problems, and labor difficulties that affected Mainland distribution all worked to reduce papaya shipments in the first half of the year by 35%. Hog and cattle production are way down this year as a result of low inventories. And fresh pineapple shipments suffered during the months of interrupted air service. Taken all together, these problems have taken their toll on the industry overall to the extent that the $95 million in sales through July are little changed from last year.

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	August	9,582	−12.5	−12.9
INTRASTATE INITIAL CLAIMS	number	August	4,126	−20.1	6.6
INTERSTATE INITIAL CLAIMS	number	August	539	14.7	−11.2
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	August	3,520	−1.2	−7.4
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	August	71,968	0.8	−3.8
Services	no./cases	2nd Qtr.	16,109	25.1	27.0
Medical	no./patients	August	54,855	16.6	9.5
Food Stamps	no./persons	August	95,125	2.6	5.0
PAYMENTS					
Income Maintenance	thous. $	August	9,453	3.5	0.2
Services	thous. $	2nd Qtr.	4,103	−6.5	−5.1
Medical	thous. $	August	8,813	13.5	22.0
Food Stamps	thous. $	August	4,403	2.5	56.1

[1]Count of recipients is duplicated. A person may be counted in each category.

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
TOTAL RESIDENT—STATE	thous.	July 1, 1978	896.6	.....	0.6
C & C of Honolulu	thous.	July 1, 1978	719.6	.....	0.3
Maui County	thous.	July 1, 1978	61.4	.....	1.8
Hawaii County	thous.	July 1, 1978	80.9	.....	2.1
Kauai County	thous.	July 1, 1978	34.7	.....	0.9
CIVILIAN RESIDENT—STATE	thous.	July 1, 1978	838.4	.....	0.4
MILITARY PERSONNEL—STATE	number	July 1, 1978	58,106	.....	−0.6
Ashore	number	July 1, 1978	46,001	.....	0.4
Afloat	number	July 1, 1978	12,105	.....	−4.3
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1978	61,094	.....	−6.0
FOREIGN IMMIGRATION[1]	number	Year ending June 30, 1978	5,818p	.....	8.3
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	1st Qtr. 1979	7,923	2.6	10.4
Employment Income[2]	mil. $	1st Qtr. 1979	6,111	2.7	10.0
Manufacturing	mil. $	1st Qtr. 1979	359	6.2	10.5
Construction	mil. $	1st Qtr. 1979	478	4.8	18.9
Wholesale	mil. $	1st Qtr. 1979	284	3.6	11.8
Retail	mil. $	1st Qtr. 1979	702	2.3	6.8
Finance, Ins. & Real Estate	mil. $	1st Qtr. 1979	440	1.1	15.8
Trans., Comm., & Util.	mil. $	1st Qtr. 1979	570	3.1	6.3
Services	mil. $	1st Qtr. 1979	1,118	4.0	9.9
Farm & Other	mil. $	1st Qtr. 1979	216	5.4	13.1
Federal Civilian	mil. $	1st Qtr. 1979	602	2.6	11.3
Federal Military	mil. $	1st Qtr. 1979	610	2.7	9.9
State & Local	mil. $	1st Qtr. 1979	732	−1.7	5.0
Property Income (Dividends, Interest, Rent)	mil. $	1st Qtr. 1979	1,184	3.7	14.0
Transfer Payments (992) minus Personal Contributions For Social Ins. (363)	mil. $	1st Qtr. 1979	629	−0.3	7.9
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1978	8,437	.....	10.0
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1977	7,950	.....	6.5
Maui County	dollars	1977	7,209	.....	10.7
Hawaii County	dollars	1977	6,266	.....	8.8
Kauai County	dollars	1977	6,738	.....	14.3

**Total personal income and all components are seasonally adjusted at annual rates.
[1]These immigration statistics include only those entering Honolulu ports and do not include status changes.
[2]Includes wage and salary disbursements, proprietors' income, and other labor income.

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF 12 LEADING INDICATORS*	1967=100	August	139.1p	0	−2.0
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	2nd Qtr	2,329.8	1.6	10.7
In 1972 Dollars	bil. $	2nd Qtr	1,422.3	−0.6	1.9
PERSONAL INCOME**	bil. $	August	1,938p	0.4	11.3
RETAIL SALES*	bil. $	August	72.8p	0.7	8.1
INDUSTRIAL PRODUCTION*	1967=100	August	150.9p	−0.8	2.0
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	July	31,622.2	3.2	24.8
TURNOVER OF DEMAND DEPOSITS**	annual rate	July	115.2	2.4	20.3
BANK LOANS*	bil. $	August	790.7	1.3	16.2
AVERAGE PRIME RATE CHARGED BY BANKS	percent	September	12.90	8.3	37.1
CONSUMER INSTALLMENT DEBT*	bil. $	July	290.3	0.8	16.7
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	June	221.5p	−0.8	7.4
CONSTRUCTION COST INDEXES					
Residences	1972=100	May	173.9	1.1	9.5
Apts., Hotel, Office Bldgs.	1972=100	May	169.3	2.1	8.0
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	August	96,900	−0.3	2.3
UNEMPLOYMENT*	thous.	August	6,149	5.1	3.5
UNEMPLOYMENT RATE*	percent	August	6.0	5.3	1.7
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	August	221.5	1.0	12.0
All Urban Consumers	1967=100	August	221.1	1.0	11.8
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	August	217.9	1.2	11.1
All Commodities	1967=100	August	238.1	0.6	13.1

p=preliminary.
*Seasonally adjusted.
**Seasonally adjusted annual rate.

Honolulu Prices

The Honolulu Consumer Price Index, just recently released for the month of August, provided Honolulu consumers some hope of a cooling in the rate of inflation. The index for All Urban Consumers (aimed at an estimated 80% of the population) rose 1.4%, or 8.5% at an annual rate, the smallest increase since last December when the annual rate of increase was 8.2%, and considerably less than the 11.6%, 14.6%, and 16.4% annual rates of increase recorded in the first half of the year. The increase in the August index for Urban Wage and Clerical Workers (designed to cover 40% of the population) was somewhat greater – up 1.8% over June, increasing at an annual rate of 11.1%. As with the All Urban index, the increase was the smallest recorded since last December when the annual rate was 8.2%. The 11.1% annual rate from June to August provided welcome relief from the 11.3%, 12.9%, and 16% rates recorded in the first half of the year.

First Hawaiian Bank Established 1858 Member FDIC

BEST AVAILABLE COPY

business activity-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	August	398,876	10.4	20.3
	number	Jan.-Aug.	2,704,236	.....	9.9
Westbound	number	August	322,622	9.8	15.5
	number	Jan.-Aug.	2,171,041	.....	7.6
Eastbound	number	August	76,254	12.9	45.8
	number	Jan.-Aug.	533,195	.....	20.9
AVERAGE DAILY VISITOR CENSUS[1]	number	August	119,071	13.5	14.4
AVERAGE LENGTH OF STAY[1]	no. of days	August	10.8	0.9	−0.9
MEETINGS ATTENDANCE	number	Jan.-Aug.	117,728	.....	−9.0
ORGANIZED GROUP TOURS	number	August	64,698	−27.0	−16.9
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	August	146,187	7.8	17.6
	number	Jan.-Aug.	986,897	.....	6.6
Hawaii	number	August	84,359	−2.9	5.6
	number	Jan.-Aug.	608,688	.....	0
Kauai	number	August	83,292	0.7	5.2
	number	Jan.-Aug.	580,165	.....	3.9
VISITOR ACCOMMODATIONS					
STATE	number	June	51,185	.....	6.6
Oahu	number	June	31,411	.....	7.6
Waikiki	number	June	27,657	.....	8.6
Maui (includes 11 on Lanai)	number	June	9,134	.....	12.0
Molokai	number	June	520	.....	−0.6
Hawaii	number	June	6,056	.....	−0.1
Kauai	number	June	4,046	.....	−0.8
HOTEL OCCUPANCY					
STATE	percent	August	77.4	3.9	−4.8
Oahu	percent	August	76.8	−1.0	−6.5
Maui	percent	August	75.4	10.1	−7.9
Hawaii	percent	August	64.1	6.5	−3.8
Kauai	percent	August	80.7	4.9	−10.3
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	2nd Qtr.	292.8	−3.9	7.4
Military Payroll	mil. $	2nd Qtr.	121.9	−0.1	6.6
Civilian Payroll	mil. $	2nd Qtr.	84.9	−15.0	6.3
Local Purchases	mil. $	2nd Qtr.	86.0	4.2	9.6
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan. 1-Sept. 1	704,152	.....	1.4
N. Y. RAW SUGAR PRICE	$/ton	August	312.43	4.5	13.1
PINEAPPLE SALES					
CANNED[2]	thous. $	Jan.-July	88,009	.....	15.4
FRESH	thous. lbs.	Jan.-Aug.	136,181	.....	−3.4
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	August	207.2	1.8	11.4
All Urban Consumers, All items	1967=100	August	207.2	1.4	11.6
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	August	583.8	2.8	2.4
GAS SALES	thous. therms	August	4,195	−2.3	1.6
TELEPHONES IN SERVICE	thous.	August	671.6	0.4	3.9

N.A. = *not available*
p = *preliminary.*
[1] *Estimated Westbound*
[2] *Gross taxable income valued at time of shipment.*

Business Trends

Since the last issue of the Economic Indicators, four additional months of data on local business trends have become available. Overall, the economy is humming with business in the visitor and construction industries (Hawaii's two major determinants of growth) booming. Airline problems—the 2-month United strike and the 5-week DC-10 grounding—brought slight setbacks in many industries in May and June but July saw business return, and in some cases with even more vigor than pre-strike levels.

Gross business receipts, the gross income on which the general excise tax is paid, soared 24 percent in the first seven months over the same period last year, from $8.1 billion to $10.1 billion. Never has the rise in nominal terms been so

business activity-hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	July	132.8	5.2	50.0
	mil. $	Jan.-July	772.5	.....	26.5
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Aug.	365,616	.....	51.2
C&C of Honolulu	thous. $	Jan.-Aug.	174,512	.....	65.3
Maui County	thous. $	Jan.-Aug.	63,481	.....	8.0
Hawaii County	thous. $	Jan.-Aug.	56,800	.....	44.7
Kauai County	thous. $	Jan.-Aug.	70,822	.....	85.5
SINGLE FAMILY UNITS					
STATE	number	Jan.-Aug.	4,058	.....	20.7
C&C of Honolulu	number	Jan.-Aug.	1,977	.....	42.3
Maui County	number	Jan.-Aug.	707	.....	7.0
Hawaii County	number	Jan.-Aug.	983	.....	3.6
Kauai County	number	Jan.-Aug.	391	.....	8.0
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Aug.	2,837	.....	44.3
C&C of Honolulu	number	Jan.-Aug.	943	.....	64.0
Maui County	number	Jan.-Aug.	682	.....	12.7
Hawaii County	number	Jan.-Aug.	452	.....	134.2
Kauai County	number	Jan.-Aug.	760	.....	28.2
NONRESIDENTIAL					
STATE	thous. $	Jan.-Aug.	165,557	.....	2.8
C&C of Honolulu	thous. $	Jan.-Aug.	124,520	.....	34.5
Maui County	thous. $	Jan.-Aug.	17,606	.....	−68.5
Hawaii County	thous. $	Jan.-Aug.	12,960	.....	66.1
Kauai County	thous. $	Jan.-Aug.	10,472	.....	115.6
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-Sept.	349,586	.....	42.4
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-Sept.	62,628	.....	−17.0
STATE	thous. $	Jan.-Sept.	222,615	.....	80.0
COUNTY	thous. $	Jan.-Sept.	64,343	.....	38.5
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-Sept.	267,974	.....	50.3
Maui County	thous. $	Jan.-Sept.	31,107	.....	−26.0
Hawaii County	thous. $	Jan.-Sept.	37,504	.....	94.8
Kauai County	thous. $	Jan.-Sept.	13,000	.....	116.1
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	September	271.4	2.2	9.4
HIGH-RISE	1967=100	September	268.8	1.6	9.3
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	July	1,660.6	13.7	33.1
	mil. $	Jan.-July	10,063.7	.....	23.9
DIVERSIFIED MANUFACTURING	mil. $	July	56.1	26.8	44.5
	mil. $	Jan.-July	324.7	.....	24.8
DIVERSIFIED AGRICULTURE	mil. $	July	13.9	−0.7	−13.2
	mil. $	Jan.-July	95.3	.....	3.6
RETAILING	mil. $	July	553.8	35.5	24.9
	mil. $	Jan.-July	3,406.2	.....	17.4
WHOLESALING	mil. $	July	470.4	−4.8	37.6
	mil. $	Jan.-July	2,765.3	.....	30.3
SERVICES	mil. $	July	293.7	12.0	27.7
	mil. $	Jan.-July	1,988.0	.....	21.6
NEW CAR SALES, OAHU	number	July	2,655	1.0	−2.3

N.A. = *not available*
+ = *Percentage increase is more than 100%.*

great. Of course, much of the increase is attributable to the rampant inflation presently gripping the nation, but even so, the 1979 numbers when deflated translate into a real gain of 12%. This level of activity was exceeded only by business in 1966 when the recorded increase in real terms was 13%.

The leading growth industry so far this year is wholesaling, with sales of $2.8 billion through July, 30% over the $2.1 billion total for Jan.-July 1978. The most obvious factor behind the explosion in this sector is soaring oil prices which have led to enormous increases in the value of distributions by Hawaii's oil refiners, a major component of wholesale trade. A second factor is the dramatic increase in the pace of construction which means a lot of added demand

BEST AVAILABLE COPY

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	September 30	3,903.9	1.1	16.6
Honolulu County	mil. $	September 30	3,223.6	1.0	17.3
Maui County	mil. $	September 30	252.7	−0.7	10.6
Hawaii County	mil. $	September 30	291.7	2.4	16.4
Kauai County	mil. $	September 30	135.9	3.6	12.3
BANK DEMAND DEPOSITS					
STATE	mil. $	September 30	1,232.5	−0.2	13.8
Honolulu County	mil. $	September 30	1,041.5	0.8	14.0
Maui County	mil. $	September 30	80.4	−8.6	7.9
Hawaii County	mil. $	September 30	77.9	−2.9	19.5
Kauai County	mil. $	September 30	32.6	−2.9	12.7
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	September	5,874.4	−9.4	19.3
Honolulu County	mil. $	September	5,360.7	−9.6	19.2
Maui County	mil. $	September	228.3	−8.8	17.1
Hawaii County	mil. $	September	208.3	−5.6	22.5
Kauai County	mil. $	September	77.0	−7.4	23.5
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	September	60.90	−4.0	10.4
Honolulu County	annual rate	September	65.79	−4.9	10.1
Maui County	annual rate	September	35.37	−1.5	11.6
Hawaii County	annual rate	September	34.94	6.4	12.8
Kauai County	annual rate	September	29.99	−0.1	14.4
TAX COLLECTIONS					
TAX COLLECTIONS—STATE	thous. $	September	87,865	−51.2	4.1
	thous. $	Jan.-Sept.	947,696	.....	14.6
Honolulu County	thous. $	September	75,741	−49.8	3.8
	thous. $	Jan.-Sept.	813,191	.....	14.3
Maui County	thous. $	September	4,861	−52.8	7.0
	thous. $	Jan.-Sept.	51,483	.....	18.8
Hawaii County	thous. $	September	5,377	−60.7	6.7
	thous. $	Jan.-Sept.	59,212	.....	15.1
Kauai County	thous. $	September	1,887	−63.4	0.4
	thous. $	Jan.-Sept.	23,810	.....	15.1

civilian labor force, employment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	September	394.3p	−2.3	1.2
Employment	thous.	September	371.0p	−2.3	3.6
Unemployment	thous.	September	23.3p	−2.3	−25.9
Unemployment Rate	percent	September	5.9p	0	−27.2
C & C OF HONOLULU					
Civilian Labor Force	thous.	September	309.4p	−2.1	0.9
Employment	thous.	September	291.4p	−2.1	3.3
Unemployment	thous.	September	18.0p	−1.6	−26.7
Unemployment Rate	percent	September	5.8p	0	−27.5
MAUI COUNTY					
Civilian Labor Force	thous.	September	32.0p	−5.3	4.7
Employment	thous.	September	30.3p	−5.8	6.3
Unemployment	thous.	September	1.8p	2.9	−16.7
Unemployment Rate	percent	September	5.5p	10.0	−20.3
HAWAII COUNTY					
Civilian Labor Force	thous.	September	35.2p	−1.5	0.7
Employment	thous.	September	32.5p	−1.1	4.2
Unemployment	thous.	September	2.7p	−7.0	−27.4
Unemployment Rate	percent	September	7.6p	−5.0	−27.6
KAUAI COUNTY					
Civilian Labor Force	thous.	September	17.8p	−1.9	2.6
Employment	thous.	September	16.9p	−1.5	4.3
Unemployment	thous.	September	0.9p	−10.0	−21.7
Unemployment Rate	percent	September	5.0p	−9.1	−24.2
EMPLOYMENT BY INDUSTRY GROUPS (number of jobs)					
TOTAL JOBS STATE[1]	thous.	September	430.8p	−2.4	5.2
SUGAR (mill and field)[1]	thous.	September	9.0p	−0.6	−2.2
PINEAPPLE (cannery and field)[1]	thous.	September	7.4p	−24.1	14.7
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	September	16.4p	0.6	2.5
Durable Goods	thous.	September	4.6p	−1.1	4.6
Non-Durable Goods	thous.	September	11.8p	1.3	1.3
Apparel and Textiles	thous.	September	3.2p	1.6	−1.5
DIVERSIFIED AGRICULTURE[1] (excluding sugar and pineapple, but including agricultural self-employed)	thous.	September	8.3p	0	−9.3
FEDERAL GOVERNMENT	thous.	September	29.5p	−0.8	−0.2
Civilian Agencies	thous.	September	10.8p	−1.8	3.9
Defense Department	thous.	September	18.7p	−0.3	−2.4
STATE GOVERNMENT	thous.	September	39.0p	−6.7	0.1
COUNTY GOVERNMENT	thous.	September	13.0p	−5.5	−25.6
CONTRACT CONSTRUCTION	thous.	September	23.3p	0.9	11.2
TRANSPORTATION	thous.	September	21.4p	0.7	8.1
COMMUNICATION	thous.	September	6.8p	0	6.3
UTILITIES	thous.	September	2.5p	0	−2.0
RETAIL TRADE	thous.	September	84.8p	−0.9	8.1
WHOLESALE TRADE	thous.	September	18.2p	1.4	7.1
FINANCE, INSURANCE AND REAL ESTATE	thous.	September	30.5p	0	6.1
HOTEL SERVICES-STATE	thous.	September	24.5p	−0.2	5.2
Honolulu County	thous.	September	15.5p	−0.6	5.8
Maui County	thous.	September	4.2p	−1.2	20.0
Hawaii County	thous.	September	3.1p	3.4	−9.0
Kauai County	thous.	September	1.8p	0	0
OTHER SERVICES	thous.	September	72.6p	1.0	8.8
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	September	11.27p	12.4	5.0
Average Weekly Hours	hours	September	39.0p	−4.4	1.3
MANUFACTURING					
Average Hourly Earnings	dollars	September	6.61p	9.3	8.4
Average Weekly Hours	hours	September	39.1p	−0.8	2.4
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	September	8.64p	0.7	6.3
Average Weekly Hours	hours	September	43.6p	−0.2	−1.4
TRADE					
Average Hourly Earnings	dollars	September	5.06p	−3.1	3.9
Average Weekly Hours	hours	September	33.2p	−2.6	−0.9
FINANCE					
Average Weekly Earnings	dollars	September	187.36p	9.3	13.6
HOTELS					
Average Hourly Earnings	dollars	September	5.34p	4.9	8.8
Average Weekly Hours	hours	September	31.4p	−4.3	−1.9
HIRED FARM WORKERS[2]					
Average Hourly Earnings	dollars	July	4.96	.....	4.4
Average Weekly Hours	hours	July	39.8	.....	5.6

p = preliminary
[1]Series includes agricultural employment during April survey week.
[2]Includes some office and supervisory workers.

rienced a greater influx of female workers between 1970 and 1976 than did Hawaii. Nationally, the labor force participation rate for women rose 5.4 percentage points from 39.2% to 44.6% while the increase for Hawaii from 47.0% to 51.8% amounted to 4.8 percentage points.

Population

In 1979 Hawaii's de facto population – the number of persons physically present in the state regardless of legal residence – exceeded the one million mark for the first time. Provisional estimates prepared jointly by the U.S. Bureau of the Census and the Hawaii state departments of Health and Planning and Economic Development show an estimated 1,012,000 persons present in the state on July 1, 1979. The resident population for the same date was 914,800. The difference between the two figures is the 106,400 visitors here last July that are included in the de facto figure, less the estimated 9,000 residents absent.

The increase in visitors over the year was almost as great as the increase in the resident population itself. Resident population rose 12,400 from 902,400 to 914,800 while Hawaii's visitor population increased 10,400 from 96,000 to 106,400. Since 1970, de facto population has risen by 215,000, of which a third, 69,000, represents the increase in visitors.

Of the 914,800 resident population in 1979, 57,900 were members of the armed forces and 856,800 were civilians, of which 64,500 were military dependents. Military-related persons — personnel and their dependents — accounted for 40% of the 12,400 increase during the last fiscal year. The other 60%, 7,500 persons, represented the increase in the other civilian component, low when compared to the 1970-78 average annual increase of 16,500.

However, the state has little faith in its annual estimates of out-migration as no really good data exist for determining this component of population change. The 1980 Census will tell just how close to target recent estimates of Hawaii's population have been — that is, assuming the 1980 census is accurate.

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	September	8,343	−12.9	−13.1
INTRASTATE INITIAL CLAIMS	number	September	4,682	13.4	11.9
INTERSTATE INITIAL CLAIMS	number	September	409	−24.1	−27.5
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	September	2,754	−21.8	−18.7
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	September	71,974	0	−3.2
Services	no./cases	2nd Qtr.	16,109	25.1	27.0
Medical	no./patients	September	45,599	−16.9	−20.7
Food Stamps	no./persons	September	96,032	1.0	7.1
PAYMENTS					
Income Maintenance	thous. $	September	9,089	−3.9	−3.4
Services	thous. $	2nd Qtr.	4,103	−6.5	−5.1
Medical	thous. $	September	7,192	−18.4	−26.9
Food Stamps	thous. $	September	4,397	−0.1	58.3

[1]Count of recipients is duplicated. A person may be counted in each category.

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
TOTAL RESIDENT—STATE	thous.	July 1, 1979	914.8	.....	1.4
C & C of Honolulu	thous.	July 1, 1978	719.6	.....	0.3
Maui County	thous.	July 1, 1978	61.4	.....	1.8
Hawaii County	thous.	July 1, 1978	80.9	.....	2.1
Kauai County	thous.	July 1, 1978	34.7	.....	0.9
CIVILIAN RESIDENT—STATE	thous.	July 1, 1979	856.8	.....	1.3
MILITARY PERSONNEL—STATE	number	July 1, 1979	57,868	.....	−0.4
Ashore	number	July 1, 1979	44,915	.....	−2.4
Afloat	number	July 1, 1979	12,953	.....	7.0
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1979	64,518	.....	5.6
FOREIGN IMMIGRATION[1]	number	Year ending June 30, 1978	5,818p	.....	8.3
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	2nd Qtr. 1979	8,103	1.7	10.8
Employment Income[2]	mil. $	2nd Qtr. 1979	6,338	1.2	9.9
Manufacturing	mil. $	2nd Qtr. 1979	325	0.9	−1.8
Construction	mil. $	2nd Qtr. 1979	484	1.9	19.5
Wholesale	mil. $	2nd Qtr. 1979	279	1.8	8.1
Retail	mil. $	2nd Qtr. 1979	739	1.1	9.2
Finance, Ins. & Real Estate	mil. $	2nd Qtr. 1979	485	2.1	14.7
Trans., Comm., & Util.	mil. $	2nd Qtr. 1979	584	−0.3	10.2
Services	mil. $	2nd Qtr. 1979	1,270	2.1	11.1
Farm & Other	mil. $	2nd Qtr. 1979	243	0.8	21.5
Federal Civilian	mil. $	2nd Qtr. 1979	627	0.6	12.4
Federal Military	mil. $	2nd Qtr. 1979	568	−1.7	5.2
State & Local	mil. $	2nd Qtr. 1979	733	2.8	4.3
Property Income (Dividends, Interest, Rent)	mil. $	2nd Qtr. 1979	1,141	3.2	16.4
Transfer Payments (1,003) minus Personal Contributions For Social Ins. (380)	mil. $	2nd Qtr. 1979	623	4.4	9.5
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1978	8,437	.....	10.0
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1977	7,950	.....	6.5
Maui County	dollars	1977	7,209	.....	10.7
Hawaii County	dollars	1977	6,266	.....	8.8
Kauai County	dollars	1977	6,738	.....	14.3

**Total personal income and all components are seasonally adjusted at annual rates.
[1]These immigration statistics include only those entering Honolulu ports and do not include status changes.
[2]Includes wage and salary disbursements, proprietors' income, and other labor income.

Personal Income

Total personal income estimates for the second quarter of 1979 have just been released and at first glance growth appears substantial. Total personal income amounted to $8,103 million as compared to $7,316 million for the same period one year ago, for an annual gain of 10.8%. However, when the figures are expressed in 1972 dollars to discount for inflation, personal income for the second quarter of 1979 amounts to $4,914 million as opposed to $4,917 million for the same period a year ago, a slight decline in real terms.

Nevertheless, performance in some industries was noteworthy. Showing the greatest gains were farming, up 21.5%, construction, up 19.5%, and property income, up 16.4%. The biggest contributors in absolute terms to the dollar gain in total personal income (TPI) were the service sector, which accounted for 16.1% of the $787 million increase in TPI, construction which accounted for 10% of the TPI gain, government which matching the dollar gain in the service sector contributed 16.1%, and property income, which rising $161 million made the largest contribution with 20% of the TPI gain.

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF 12 LEADING INDICATORS*	1967=100	September	141.3p	0.8	−0.7
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	3rd Qtr.	2,391.5p	2.6	10.7
In 1972 Dollars	bil. $	3rd Qtr.	1,430.8p	0.6	1.7
PERSONAL INCOME**	bil. $	September	1,955.2	0.6	11.3
RETAIL SALES*	bil. $	September	76,263	2.2	12.0
INDUSTRIAL PRODUCTION*	1967=100	September	152.3p	0.5	2.5
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	August	32,045.3	1.3	21.4
TURNOVER OF DEMAND DEPOSITS**	annual rate	August	116.9	1.5	17.1
BANK LOANS*	bil. $	September	838.6e	1.9	17.4
AVERAGE PRIME RATE CHARGED BY BANKS	percent	October	14.39	11.6	44.8
CONSUMER INSTALLMENT DEBT*	bil. $	August	292,743	0.8	16.0
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	August	229.2	−1.5	7.3
CONSTRUCTION COST INDEXES					
Residences	1972=100	May	173.9	1.1	9.5
Apts, Hotel, Office Bldgs	1972=100	May	169.3	2.1	8.0
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	September	97.5	0.6	2.6
UNEMPLOYMENT*	thous.	September	5,985	−2.7	0.4
UNEMPLOYMENT RATE*	percent	September	5.8	−3.3	−1.7
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	September	223.7	1.0	12.4
All Urban Consumers	1967=100	September	223.4	1.0	12.1
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	September	220.4	1.4	11.8
All Commodities	1967=100	September	241.7	1.5	13.8

e=estimated.
p=preliminary.
*Seasonally adjusted.
**Seasonally adjusted annual rate.

First Hawaiian Bank Established 1858 Member FDIC

Economic Indicators

ISSN 0015-2757

A Monthly Report by the Research Division *Dr. Thomas K. Hitch, Senior Vice President* *Shurei Hirozawa, Vice President* *November 1979*

Ocean Thermal Energy Conversion—An Update

Just over a year ago, three projects in the field of ocean thermal energy conversion in Hawaii were announced and we wrote this subject up in our October 1978 *Economic Indicators*. At that time most people thought that OTEC was so unproved and embryonic that its prospects as an alternative energy source were for the 21st century, if ever.

We listed the four major unanswered questions about OTEC:

1. It might take more energy to build and operate the plant than the plant produces.
2. Any object that is in contact with sea water for extended periods of time gets corroded and biofouled. No one knows to what extent such corrosion and biofouling will interfere with the operation of a plant.
3. The immense quantities of cold water required to reliquefy the ammonia may so cool the surface waters as to make them unusable for their heating function.
4. No one knows what effect the pumping of immense quantities of ocean water from lower depths to the surface will have on the ecology of the ocean. Environmental problems may develop that are not today suspected.

The first of the four questions has now been answered quite affirmatively. On August 2 of this year, a mini-OTEC plant on board a 120×30-foot former Navy barge anchored a mile and a half off Keahole Point on the Island of Hawaii started producing electricity in an amount some 20 percent greater than the electricity used for the pumps and compressors aboard the barge. Designed to produce 50 kilowatts and to consume 40 kilowatts in the process, the miniplant's actual performance lived up to expectations exactly. The engineers on the project calculate that full-sized commercial plants will generate a surplus of electricity (over that required to run the plant) of more like 75 to 80 percent than Mini-OTEC's 20 percent. Perhaps August 2, 1979 and Keahole will be to electricity what December 17, 1903 and Kitty Hawk was to aviation. Orville Wright's flight of 120 feet was to aviation about what 50 kilowatts is to electricity. Kitty Hawk proved airplanes could fly: Keahole proved ocean temperature differences can be used to produce net electricity.

The second question (biofouling and corrosion interfering with the efficiency of the process) is not considered as serious as it was a year ago. Such biofouling and corrosion as occurs appears to be susceptible to cleanup either by chemical or mechanical means. Based on one year's experience, this problem seems no longer to be a long-range deterrent, but a major research project funded by the U.S. Department of Energy will of course continue in order to provide a conclusive answer.

The third question, based on experience so far, is no longer of any concern to OTEC engineers. The cool waters dumped on the ocean surface are heavier than the warm surface waters so that they sink fairly rapidly without disturbing surface temperature significantly.

The fourth question—impact on the ecology of the ocean—is still unanswered, but no deleterious effects have been noted so far. In fact, since the deep waters brought to the surface have many nutrients, they may result in a larger fish population.

So in the fall of 1979, unlike the fall of 1978, OTEC seems possibly to be on the not-too-distant horizon. Mini-OTEC engineers calculate that if they were to build a full-scale commercial plant, the cost of OTEC electricity would probably not be more than 50 percent greater than the cost of fossil fuel electricity. Given the rapidly escalating price of oil plus the economies that almost always are achieved when one moves from a prototype plant into the second and third generation of plants in a new field, OTEC power looks like it is pretty much on the verge of commercial production. At the very least, we can say that OTEC power is for this generation rather than being down the road a good many decades.

In our report last year we described the OTEC process as follows:

The process is somewhat similar to that of a steam-powered electric generating plant. When an oil-fired furnace heats water to 212°F, the water boils and in so doing expands. As these vapors escape through a vent, their force can turn a turbine generator which produces electricity.

A chemical substance such as ammonia or Freon that is under pressure will vaporize (or boil) when only a modest amount of heat is applied to it—such as warming it in a water bath where the water is only 76°F in temperature. The vaporization of the ammonia has the capacity to drive a turbine, and if the vaporized ammonia can then be cooled down to a liquid again by bathing it in water that is quite cold (say 40°F), it can be recycled almost indefinitely. That is the ocean thermal energy conversion process. The warm water required to vaporize the ammonia comes from the surface and the cold water required to liquefy the ammonia is pumped from about 2,300 feet beneath the ocean surface.

First Hawaiian Bank
Established 1858 • Member of F.D.I.C.

business activity-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	September	303,253	−24.0	10.4
	number	Jan.-Sept.	3,009,516	.....	10.1
Westbound	number	September	230,775	−28.5	3.7
	number	Jan.-Sept.	2,401,120	.....	7.1
Eastbound	number	September	72,478	−5.0	38.9
	number	Jan.-Sept.	608,396	.....	23.4
AVERAGE DAILY VISITOR CENSUS[1]	number	September	83,661	−29.8	13.6
AVERAGE LENGTH OF STAY[1]	no. of days	September	9.9	−8.3	5.3
MEETINGS ATTENDANCE	number	Jan.-Sept.	135,241	.....	−8.4
ORGANIZED GROUP TOURS	number	September	56,705	−12.4	−25.5
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	September	109,641	−25.0	3.2
	number	Jan.-Sept.	1,096,222	.....	6.2
Hawaii	number	September	64,475	−23.6	−8.0
	number	Jan.-Sept.	672,962	.....	−0.9
Kauai	number	September	65,652	−21.2	−0.8
	number	Jan.-Sept.	645,620	.....	3.4
VISITOR ACCOMMODATIONS					
STATE	number	June	51,185	.....	6.6
Oahu	number	June	31,411	.....	7.6
Waikiki	number	June	27,657	.....	8.6
Maui (includes 11 on Lanai)	number	June	9,134	.....	12.0
Molokai	number	June	520	.....	−0.6
Hawaii	number	June	6,056	.....	−0.1
Kauai	number	June	4,046	.....	−0.8
HOTEL OCCUPANCY					
STATE	percent	September	70.4	−9.0	−3.2
Oahu	percent	September	72.2	−6.0	−2.2
Maui	percent	September	64.2	−14.9	−9.4
Hawaii	percent	September	55.3	−13.7	−3.7
Kauai	percent	September	74.2	−8.1	−4.9
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	3rd Qtr.	319.1	9.0	9.3
Military Payroll	mil. $	3rd Qtr.	123.5	1.3	5.9
Civilian Payroll	mil. $	3rd Qtr.	99.6	17.3	3.5
Local Purchases	mil. $	3rd Qtr.	96.0	11.6	21.6
SUGAR					
SUGAR PRODUCTION	thous. tons.	Jan. 1-Sept. 29	818.6	16.3	2.0
N. Y. RAW SUGAR PRICE	$/ton	September	314.93	0.8	11.1
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-Aug.	113,674	.....	28.9
FRESH	thous. lbs.	Jan.-Sept.	150,161	.....	1.8
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	August	207.2	1.8	11.4
All Urban Consumers, All items	1967=100	August	207.2	1.4	11.6
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	September	563.6	−4.1	2.9
GAS SALES	thous. therms	September	4,178	−0.4	−0.9
TELEPHONES IN SERVICE	thous.	September	676.6	3.9	0.7

N.A. = *not available*
p = *preliminary.*
[1] *Estimated Westbound*
[2] *Gross taxable income valued at time of shipment.*

Hawaii's Working Women

The U.S. Bureau of the Census recently published a report entitled "Demographic, Social, and Economic Profile of States: Spring 1976," which shows that the proportion of women aged 16 years and over employed in Hawaii rose from 47.0% to 51.8% in the six years 1970 to 1976. The labor force participation rate for Hawaii women was the second highest among the 50 states. Alaska's was first with 54.1% of its women employed.

The reason for proportionately more women working in these two states is obvious. Living costs are highest in the nation with Alaska exceeding the national average by some 40% and Hawaii by about 25% according to U.S. Bureau of Labor Statistics estimates. Besides the high living cost factor, Hawaii's comparatively large household size—the

business activity-hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	August	92.1	−30.6	3.9
	mil. $	Jan.-Aug.	864.7	.....	23.6
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Sept.	413,706	.....	56.7
C&C of Honolulu	thous. $	Jan.-Sept.	204,202	.....	78.4
Maui County	thous. $	Jan.-Sept.	68,687	.....	8.2
Hawaii County	thous. $	Jan.-Sept.	62,740	.....	47.4
Kauai County	thous. $	Jan.-Sept.	78,077	.....	95.0
SINGLE FAMILY UNITS					
STATE	number	Jan.-Sept.	4,575	.....	23.3
C&C of Honolulu	number	Jan.-Sept.	2,271	.....	50.5
Maui County	number	Jan.-Sept.	784	.....	3.8
Hawaii County	number	Jan.-Sept.	1,097	.....	4.5
Kauai County	number	Jan.-Sept.	423	.....	6.8
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Sept.	3,210	.....	50.5
C&C of Honolulu	number	Jan.-Sept.	1,140	.....	98.3
Maui County	number	Jan.-Sept.	724	.....	−6.2
Hawaii County	number	Jan.-Sept.	490	.....	153.9
Kauai County	number	Jan.-Sept.	856	.....	44.4
NONRESIDENTIAL					
STATE	thous. $	Jan.-Sept.	187,371	.....	0.9
C&C of Honolulu	thous. $	Jan.-Sept.	144,113	.....	25.3
Maui County	thous. $	Jan.-Sept.	18,448	.....	−67.7
Hawaii County	thous. $	Jan.-Sept.	13,868	.....	61.2
Kauai County	thous. $	Jan.-Sept.	10,943	.....	114.6
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-Oct.	398,160	.....	44.7
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-Oct.	91,818	.....	3.8
STATE	thous. $	Jan.-Oct.	231,943	.....	67.2
COUNTY	thous. $	Jan.-Oct.	74,399	.....	54.7
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-Oct.	308,535	.....	54.1
Maui County	thous. $	Jan.-Oct.	36,488	.....	−16.0
Hawaii County	thous. $	Jan.-Oct.	39,817	.....	82.8
Kauai County	thous. $	Jan.-Oct.	13,320	.....	35.3
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	October	274.4	1.1	9.2
HIGH-RISE	1967=100	October	272.2	1.3	9.4
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	August	1,293.8	−22.1	9.0
	mil. $	Jan.-Aug.	11,357.5	.....	22.0
DIVERSIFIED MANUFACTURING	mil. $	August	42.5	−24.2	−16.2
	mil. $	Jan.-Aug.	367.2	.....	18.1
DIVERSIFIED AGRICULTURE	mil. $	August	8.3	−39.9	−6.3
	mil. $	Jan.-Aug.	103.6	.....	2.7
RETAILING	mil. $	August	384.0	−30.7	−8.8
	mil. $	Jan.-Aug.	3,790.2	.....	14.1
WHOLESALING	mil. $	August	424.1	−9.8	46.0
	mil. $	Jan.-Aug.	3,189.4	.....	32.2
SERVICES	mil. $	August	229.2	−22.0	−5.7
	mil. $	Jan.-Aug.	2,217.2	.....	18.0
NEW CAR SALES, OAHU	number	July	2,655	1.0	−2.3

N.A. = *not available*
+ = *Percentage increase is more than 100%.*

highest in the nation at 3.45 persons versus a 2.90 person U.S. average in 1976—further compels more Hawaii women to work.

As a result of the greater incidence of families with more than one wage earner, median family income in Hawaii in 1977 at $17,770 was 26% above the national average of $14,094 and ranked second behind Alaska at $22,432.

While proportionately more Hawaii women are actively employed, presumably to better equip the family to cope financially in a high living cost area, it is interesting to note that the 1976 Bureau of the Census survey didn't show Hawaii men similarly inclined. On the contrary, the 71% proportion of Hawaii men 16 years and over that were employed actually fell somewhat below the 72.9% national average for the same period.

The nation overall expe-

END

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	October 31	3,882.9	−0.5	16.0
Honolulu County	mil. $	October 31	3,201.3	−0.7	16.7
Maui County	mil. $	October 31	255.1	1.0	12.1
Hawaii County	mil. $	October 31	296.1	1.5	16.4
Kauai County	mil. $	October 31	130.3	−4.1	8.1
BANK DEMAND DEPOSITS					
STATE	mil. $	October 31	1,188.6	−3.6	8.5
Honolulu County	mil. $	October 31	995.9	−4.4	7.6
Maui County	mil. $	October 31	81.3	1.1	10.2
Hawaii County	mil. $	October 31	79.7	2.4	16.7
Kauai County	mil. $	October 31	31.6	−3.2	11.4
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	October	6,631.0	12.9	32.4
Honolulu County	mil. $	October	6,063.2	13.1	32.4
Maui County	mil. $	October	253.3	10.9	34.3
Hawaii County	mil. $	October	227.6	9.3	29.9
Kauai County	mil. $	October	86.9	12.9	34.4
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	October	65.73	7.9	19.1
Honolulu County	annual rate	October	71.42	8.6	19.5
Maui County	annual rate	October	37.58	6.2	23.1
Hawaii County	annual rate	October	34.66	−0.8	10.0
Kauai County	annual rate	October	32.48	8.3	20.0
TAX COLLECTIONS					
TAX COLLECTIONS—STATE	thous. $	October	90,610	3.1	23.3
	thous. $	Jan.-Oct.	1,038,306	.....	15.3
Honolulu County	thous. $	October	79,380	4.8	24.5
	thous. $	Jan.-Oct.	892,571	.....	15.1
Maui County	thous. $	October	4,519	−7.0	17.5
	thous. $	Jan.-Oct.	56,001	.....	18.7
Hawaii County	thous. $	October	4,422	−17.8	9.7
	thous. $	Jan.-Oct.	63,635	.....	14.7
Kauai County	thous. $	October	2,289	21.3	24.1
	thous. $	Jan.-Oct.	26,099	.....	15.8

civilian labor force, employment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	October	400.0p	1.4	1.2
Employment	thous.	October	375.2p	1.1	3.2
Unemployment	thous.	October	24.8p	6.4	−21.6
Unemployment Rate	percent	October	6.2p	5.1	−22.5
C & C OF HONOLULU					
Civilian Labor Force	thous.	October	314.6p	1.7	0.9
Employment	thous.	October	295.5p	1.4	2.9
Unemployment	thous.	October	19.1p	5.8	−22.6
Unemployment Rate	percent	October	6.1p	5.2	−22.8
MAUI COUNTY					
Civilian Labor Force	thous.	October	32.2p	0.5	5.4
Employment	thous.	October	30.0p	−0.8	7.5
Unemployment	thous.	October	2.2p	22.9	−17.3
Unemployment Rate	percent	October	6.7p	21.8	−21.2
HAWAII COUNTY					
Civilian Labor Force	thous.	October	35.4p	0.7	−0.3
Employment	thous.	October	32.8p	0.8	1.9
Unemployment	thous.	October	2.7p	0	−20.9
Unemployment Rate	percent	October	7.5p	−1.3	−20.2
KAUAI COUNTY					
Civilian Labor Force	thous.	October	17.9p	0.6	3.8
Employment	thous.	October	17.0p	0.6	5.3
Unemployment	thous.	October	0.9p	0	−18.2
Unemployment Rate	percent	October	5.1p	2.0	−19.0
EMPLOYMENT BY INDUSTRY GROUPS (number of jobs)					
TOTAL JOBS-STATE[1]	thous.	October	433.2p	0.4	5.2
SUGAR (mill and field)[1]	thous.	October	8.9p	−1.1	−2.2
PINEAPPLE (cannery and field)[1]	thous.	October	3.6p	−51.4	4.3
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	October	16.5p	0.9	0.6
Durable Goods	thous.	October	4.6p	0	−2.1
Non-Durable Goods	thous.	October	11.9p	1.3	1.7
Apparel and Textiles	thous.	October	3.3p	1.6	0
DIVERSIFIED AGRICULTURE[1] (excluding sugar and pineapple, but including agricultural self-employed)	thous.	October	9.8p	18.8	−4.4
FEDERAL GOVERNMENT	thous.	October	29.9p	1.4	0.8
Civilian Agencies	thous.	October	11.0p	1.4	4.8
Defense Department	thous.	October	19.0p	1.3	−1.6
STATE GOVERNMENT	thous.	October	42.9p	9.9	−0.2
COUNTY GOVERNMENT	thous.	October	12.3p	−5.4	−9.3
CONTRACT CONSTRUCTION	thous.	October	23.3p	−0.9	10.5
TRANSPORTATION	thous.	October	21.5p	0.9	10.5
COMMUNICATION	thous.	October	6.8p	0	6.3
UTILITIES	thous.	October	2.5p	0	0
RETAIL TRADE	thous.	October	84.9p	−0.1	8.6
WHOLESALE TRADE	thous.	October	18.0p	−0.6	7.5
FINANCE, INSURANCE AND REAL ESTATE	thous.	October	30.5p	0	5.7
HOTEL SERVICES-STATE	thous.	October	24.9p	1.8	5.3
Honolulu County	thous.	October	15.8p	1.9	4.3
Maui County	thous.	October	4.3p	1.2	19.7
Hawaii County	thous.	October	3.2p	3.3	−1.6
Kauai County	thous.	October	1.7p	−2.9	−2.9
OTHER SERVICES	thous.	October	73.2p	0.1	8.9
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	October	11.38p	1.0	5.8
Average Weekly Hours	hours	October	33.3p	−14.6	0.3
MANUFACTURING					
Average Hourly Earnings	dollars	October	6.70p	1.4	8.1
Average Weekly Hours	hours	October	41.1p	5.1	5.1
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	October	8.85p	2.4	7.3
Average Weekly Hours	hours	October	44.4p	1.8	−0.7
TRADE					
Average Hourly Earnings	dollars	October	5.40p	6.7	10.4
Average Weekly Hours	hours	October	33.2p	0	0.6
FINANCE					
Average Weekly Earnings	dollars	October	171.65p	−8.4	−3.2
HOTELS					
Average Hourly Earnings	dollars	October	5.15p	−3.6	7.3
Average Weekly Hours	hours	October	33.1p	5.4	0.9
HIRED FARM WORKERS[2]					
Average Hourly Earnings	dollars	October	5.26p	6.0	11.2
Average Weekly Hours	hours	October	38.1p	−4.3	1.6

p = preliminary
[1]Series includes agricultural employment during April survey week.
[2]Includes some office and supervisory workers.

ending to the Honolulu Board of Realtors Multiple Listing Service, average resale prices for single-family homes in Hawaii rose 26% from $124,454 to $157,396 during this period, while resale prices for condos rose from an average $78,054 to $86,516. The CPI housing component reflects this, illustrating one of the CPI's biggest flaws — its use of current housing prices to measure homeownership costs when the vast majority of homeowners are not recent buyers.

If we held constant that part of the CPI housing component which relates to home purchase, financing, taxes, and insurance, the overall cost-of-living increase for Honolulu over the past 12 months would be reduced to 8.5%. (Property taxes and insurance have increased for other than new home buyers, but the increases measured by the CPI would be exaggerated for most homeowners as they reflect current market trends.) Actually the real increase probably lies somewhere between 8.5% and 11.5% because obviously some people have bought homes within the past year.

The other major contributors to the advance in the Honolulu CPI over the past year are food which rose 14% accounting for 19.3% of the CPI gain and transportation up 13.7% and contributing 17.4% of the gain.

However, Honolulu consumers may find some comfort in knowing that locally prices have not risen nearly as fast in recent months as on the Mainland. Between June and October the Honolulu

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	October	10,769	29.1	−2.3
INTRASTATE INITIAL CLAIMS	number	October	7,744	65.4	37.2
INTERSTATE INITIAL CLAIMS	number	October	486	18.8	1.5
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	October	3,419	24.2	1.6
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	September	71,974	0	−3.2
Services	no./cases	2nd Qtr.	16,109	25.1	27.0
Medical	no./patients	September	45,599	−16.9	−20.7
Food Stamps	no./persons	September	96,032	1.0	7.1
PAYMENTS					
Income Maintenance	thous. $	September	9,089	−3.9	−3.4
Services	thous. $	2nd Qtr.	4,103	−6.5	−5.1
Medical	thous. $	September	7,192	−18.4	−26.9
Food Stamps	thous. $	September	4,397	−0.1	58.3

[1]Count of recipients is duplicated. A person may be counted in each category.

CPI rose at an average annual rate of 9.2%, down from 14.2% in the first half of the year. Nationally consumer prices soared 12.7% between June and October.

Tax Collections

High October tax collections — up 23.3% over the same period a year ago — were probably a result of a carryover from September when only a 4% increase was recorded. The State Tax Office reported that the carryover was most likely a result of September 30 falling on a Sunday and many payments not being recorded until October.

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
TOTAL RESIDENT—STATE	thous.	July 1, 1979	914.8	.....	1.4
C & C of Honolulu	thous.	July 1, 1978	719.6	.....	0.3
Maui County	thous.	July 1, 1978	61.4	.....	1.8
Hawaii County	thous.	July 1, 1978	80.9	.....	2.1
Kauai County	thous.	July 1, 1978	34.7	.....	0.9
CIVILIAN RESIDENT—STATE	thous.	July 1, 1979	856.8	.....	1.3
MILITARY PERSONNEL—STATE	number	July 1, 1979	57,868	.....	−0.4
Ashore	number	July 1, 1979	44,915	.....	−2.4
Afloat	number	July 1, 1979	12,953	.....	7.0
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1979	64,518	.....	5.6
FOREIGN IMMIGRATION[1]	number	Year ending June 30, 1978	5,818p	.....	8.3
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	2nd Qtr. 1979	8,103	1.7	10.8
Employment Income[2]	mil. $	2nd Qtr. 1979	6,338	1.2	9.9
Manufacturing	mil. $	2nd Qtr. 1979	325	0.9	−1.8
Construction	mil. $	2nd Qtr. 1979	484	1.9	19.5
Wholesale	mil. $	2nd Qtr. 1979	279	1.8	8.1
Retail	mil. $	2nd Qtr. 1979	739	1.1	9.2
Finance, Ins. & Real Estate	mil. $	2nd Qtr. 1979	485	2.1	14.7
Trans., Comm., & Util.	mil. $	2nd Qtr. 1979	584	−0.3	10.2
Services	mil. $	2nd Qtr. 1979	1,270	2.1	11.1
Farm & Other	mil. $	2nd Qtr. 1979	243	0.8	21.5
Federal Civilian	mil. $	2nd Qtr. 1979	627	0.6	12.4
Federal Military	mil. $	2nd Qtr. 1979	568	−1.7	5.2
State & Local	mil. $	2nd Qtr. 1979	733	2.8	4.3
Property Income (Dividends, Interest, Rent)	mil. $	2nd Qtr. 1979	1,141	3.2	16.4
Transfer Payments (1,003) minus Personal Contributions For Social Ins. (380)	mil. $	2nd Qtr. 1979	623	4.4	9.5
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1978	8,437	.....	10.0
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1977	7,950	.....	6.5
Maui County	dollars	1977	7,209	.....	10.7
Hawaii County	dollars	1977	6,266	.....	8.8
Kauai County	dollars	1977	6,738	.....	14.3

**Total personal income and all components are seasonally adjusted at annual rates.
[1]These immigration statistics include only those entering Honolulu ports and do not include status changes.
[2]Includes wage and salary disbursements, proprietors' income, and other labor income.

Public Assistance

The count of income maintenance recipients (covers Aid to Families with Dependent Children and General Assistance cases) has declined steadily since May 1978 when the eligibility of able-bodied single persons for receipt of General Assistance was eliminated. The reduction didn't happen immediately because those who were already receiving assistance were grandfathered into the program. As of September there were 3,899 — 5.3% — fewer income maintenance recipients than when the new rule became effective in May of last year. The growth of income maintenance payments was halted, too. Cumulatively through September, 1979 payments were 1.7% below those for the same time last year, and just for the month of September, payments were down 3.2%.

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF 12 LEADING INDICATORS*	1967=100	October	138.8p	−0.9	−3.3
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	3rd Qtr.	2,395.4p	2.8	10.9
In 1972 Dollars	bil. $	3rd Qtr.	1,434.4p	0.9	1.9
PERSONAL INCOME**	bil. $	October	1,975.1	0.8	10.9
RETAIL SALES*	bil. $	October	75,452	−1.3	9.4
INDUSTRIAL PRODUCTION*	1967=100	October	152.5	0.1	1.9
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	September	33,115.5	3.3	25.8
TURNOVER OF DEMAND DEPOSITS**	annual rate	September	118.2	1.1	20.5
BANK LOANS*	bil. $	October	845.8	0.7	16.5
AVERAGE PRIME RATE CHARGED BY BANKS	percent	November	15.55	8.1	42.1
CONSUMER INSTALLMENT DEBT*	bil. $	September	297,189	1.5	16.1
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	September	235.8p	1.5	9.5
CONSTRUCTION COST INDEXES					
Residences	1972=100	July	179.2	3.0	10.6
Apts, Hotel, Office Bldgs	1972=100	July	172.3	1.8	8.5
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	October	97,293	−0.2	2.2
UNEMPLOYMENT*	thous.	October	6,182	3.3	5.9
UNEMPLOYMENT RATE*	percent	October	6.0	3.4	3.4
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	October	225.6	0.8	12.4
All Urban Consumers	1967=100	October	225.4	0.9	12.2
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	October	223.3	1.0	12.1
All Commodities	1967=100	October	245.2	1.4	14.1

e=estimated.
p=preliminary.
*Seasonally adjusted.
**Seasonally adjusted annual rate.

First Hawaiian Bank Established 1858 Member FDIC

BEST AVAILABLE COPY

Economic Indicators

ISSN 0015-2757

A Monthly Report by the Research Division *Dr. Thomas K. Hitch, Senior Vice President* *Shurei Hirozawa, Vice President* *December, 1979*

Interest Rates and Mortgage Loans

Bankers are just as unhappy as everyone else about current interest rate levels. The main business of banking is obtaining funds and channeling them to productive purposes by making loans—loans for businesses to start up, expand, or finance their operations, for developers to construct office buildings, shopping centers, or housing, for consumers to purchase automobiles or refrigerators, for homeowners to buy or improve their homes, and so forth. A bank makes profits by charging borrowers an interest spread above the bank's cost of funds—a rate that is limited, of course, by what the borrowers are willing to pay and the interest rates at competing financial institutions. Interest rates on various types of loans differ, depending on the term of the loan or the degree of risk in getting the money repaid. And interest rates go up or down over time, as the cost of funds to lend goes up and down. Obviously the rate must be somewhat more than the cost of obtaining the funds (costs include interest rates the bank pays on time deposits, bank services to attract checking accounts, interest paid on interbank borrowings, and so forth).

Inflation, and the federal government's tight money policy aimed at combating inflation, have forced interest rates to shockingly high levels. But as long as inflation runs around 13 percent, a 15 or 16 percent interest rate means that borrowers are paying only 2 or 3 percent real interest, while lenders are being repaid with dollars that are becoming increasingly worthless.

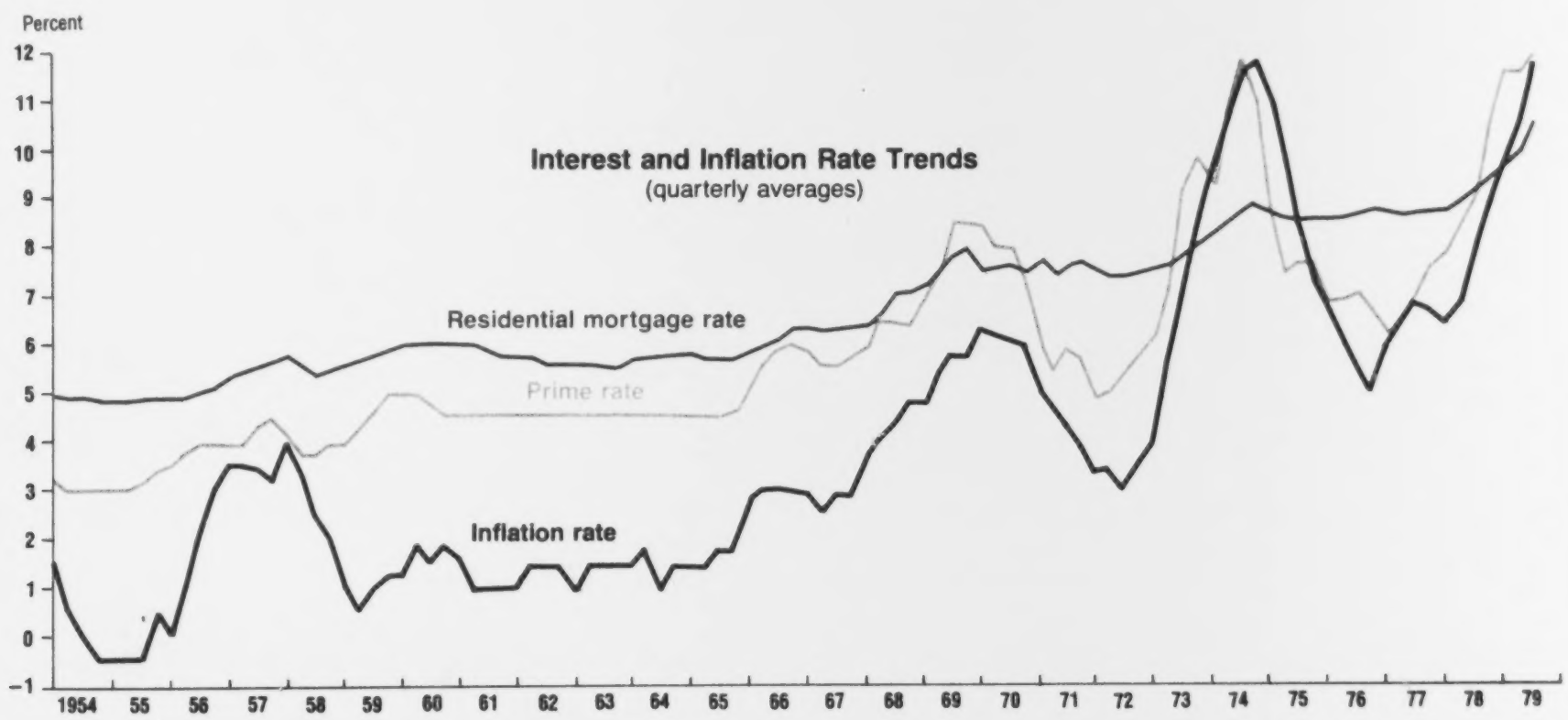
Normally the interest rate on long-term loans (like 30-year mortgages) has been higher than the rate on short-term loans (business loans for a year or less). Today, short-term rates have skyrocketed in response to money market conditions: the prime interest rate (the best rate banks offer their best corporate customers on short-term business loans) hit a record 15.75 percent on November 16 in Hawaii, following the Mainland pattern. But mortgage rates are held down to 12 percent by Hawaii's 46-year-old usury law.

Meanwhile, the cost of funds has been rising. The Federal Reserve discount rate (the bargain rate at which member banks can borrow from Federal Reserve banks) was set at 12 percent on October 16. Rates on bank bills and money market certificates (aimed at encouraging savers to deposit their money in financial institutions instead of putting it into other investments) were over 12 percent through most of November. And passbook savings deposits (the low-cost source of funds) haven't grown at all in the last few years, so all the new funds for loans are coming from the high-cost sources.

As a result, most of Hawaii's banks and savings and loan associations can no longer afford to make mortgage loans to homebuyers because of the 12 percent ceiling, so mortgage money is practically unavailable here. The consumer doesn't mind paying 18 percent on his charge card purchases, but the state usury law now blocks him from borrowing to buy a home—the best investment of all. (First Hawaiian Bank is trying to deal with this situation by offering five-year industrial loans with a 30-year amortization to owner-occupant buyers at 13 percent.)

A bill now in Congress would exempt banks and savings & loans from state usury laws for a period of two years to meet the mortgage crisis. Our Hawaii State Legislature is holding hearings on the usury ceiling, and in the next session could act to alleviate the problem.

But even if Hawaii's 12 percent ceiling is lifted and mortgage loans become available once more, we may not see 30-year fixed-rate mortgages again. With the cost of funds unpredictable, and with inflation ratcheting interest rates ever higher in more frequent cycles, financial institutions can't afford to tie up large sums of money at fixed rates for extended periods. It is likely that there will be a shift to variable-rate mortgages, as California banks have done, with rates that move up or down as money market conditions change.



First Hawaiian Bank

Established 1858 • Member of F.D.I.C.

business activity - hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	October	309,562p	2.1	5.0
	number	Jan.-Oct.	3,319,078p	.....	9.6
Westbound	number	October	248,333p	7.6	−1.7
	number	Jan.-Oct.	2,649,453p	.....	6.2
Eastbound	number	October	61,229p	−15.5	45.2
	number	Jan.-Oct.	669,625p	.....	25.1
AVERAGE DAILY VISITOR CENSUS[1]	number	October	88,205	5.4	5.2
AVERAGE LENGTH OF STAY[1]	no. of days	October	10.2	3.0	4.1
MEETINGS ATTENDANCE	number	Jan.-Oct.	151,585	.....	−15.5
ORGANIZED GROUP TOURS	number	October	70,623	24.5	−26.8
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	October	113,582p	3.6	−7.3
	number	Jan.-Oct.	1,209,804p	.....	4.8
Hawaii	number	October	66,776p	3.6	−16.0
	number	Jan.-Oct.	739,738p	.....	−2.4
Kauai	number	October	66,808p	1.8	−10.6
	number	Jan.-Oct.	712,428p	.....	1.9
VISITOR ACCOMMODATIONS					
STATE	number	October	51,782	.....	6.1
Oahu	number	October	32,088	.....	9.5
Waikiki	number	October	28,142	.....	10.0
Maui (includes 11 on Lanai)	number	October	9,051	.....	3.9
Molokai	number	October	557	.....	6.9
Hawaii	number	October	5,979	.....	−2.1
Kauai	number	October	4,107	.....	−1.3
HOTEL OCCUPANCY					
STATE	percent	October	72.3	2.7	−11.7
Oahu	percent	October	70.5	−2.4	−14.5
Maui	percent	October	69.7	8.6	−10.6
Hawaii	percent	October	64.3	16.3	−3.6
Kauai	percent	October	77.6	4.6	−7.7
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	3rd Qtr.	319.1	9.0	9.3
Military Payroll	mil. $	3rd Qtr.	123.5	1.3	5.9
Civilian Payroll	mil. $	3rd Qtr.	99.6	17.3	3.5
Local Purchases	mil. $	3rd Qtr.	96.0	11.6	21.6
SUGAR					
SUGAR PRODUCTION	thous. tons.	October 27	925,116	.....	1.4
N. Y. RAW SUGAR PRICE	$/ton	October	318.55	1.1	9.2
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-Aug.	113,674	.....	28.9
FRESH	thous. lbs.	Jan.-Oct.	163,269	.....	2.6
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	October	211.1	1.9	11.9
All Urban Consumers, All items	1967=100	October	210.5	1.6	11.5
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	October	590.5	4.8	4.7
GAS SALES	thous. therms	October	4,097	−1.9	−0.7
TELEPHONES IN SERVICE	thous.	October	679.4	0.4	3.9

N.A. = *not available*
p = *preliminary.*
[1]*Estimated Westbound*
[2]*Gross taxable income valued at time of shipment.*

Notes regarding the graph on the front page: Quarterly averages of residential mortgage rates from 1954 to 1963 are from the National Bureau of Economic Research historical series on home mortgage rates at large insurance companies (the only figures available for that period), and from 1964 to the present from the Federal Home Loan Bank Board's series on mortgage rates at all U.S. lending institutions. Quarterly averages for the prime rate are from the Federal Reserve Board series for U.S. commercial banks. The inflation rate is plotted from a four-quarter moving average of increases in the Bureau of Labor Statistics' U.S. Consumer Price Index because the quarterly averages zigzag too dizzily for a clear picture. Hence the inflation rate represents a past year's increase rather than the immediate change for the quarter, and so is not in exact phase with the other lines.

business activity - hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	August	92.1	−30.6	3.9
	mil. $	Jan.-Aug.	864.7	.....	23.6
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Oct.	485,283	.....	47.3
C&C of Honolulu	thous. $	Jan.-Oct.	229,215	.....	55.9
Maui County	thous. $	Jan.-Oct.	92,555	.....	7.5
Hawaii County	thous. $	Jan.-Oct.	67,513	.....	28.8
Kauai County	thous. $	Jan.-Oct.	96,000	.....	118.4
SINGLE FAMILY UNITS					
STATE	number	Jan.-Oct.	5,125	.....	22.1
C&C of Honolulu	number	Jan.-Oct.	2,601	.....	51.4
Maui County	number	Jan.-Oct.	852	.....	−2.4
Hawaii County	number	Jan.-Oct.	1,214	.....	3.2
Kauai County	number	Jan.-Oct.	458	.....	6.3
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Oct.	3,832	.....	30.9
C&C of Honolulu	number	Jan.-Oct.	1,213	.....	14.3
Maui County	number	Jan.-Oct.	958	.....	2.6
Hawaii County	number	Jan.-Oct.	492	.....	58.7
Kauai County	number	Jan.-Oct.	1,169	.....	87.6
NONRESIDENTIAL					
STATE	thous. $	Jan.-Oct.	220,896	.....	6.1
C&C of Honolulu	thous. $	Jan.-Oct.	166,733	.....	29.2
Maui County	thous. $	Jan.-Oct.	25,985	.....	−58.6
Hawaii County	thous. $	Jan.-Oct.	15,466	.....	53.9
Kauai County	thous. $	Jan.-Oct.	12,712	.....	108.6
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-Nov.	437,258	.....	45.7
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-Nov.	101,886	.....	10.2
STATE	thous. $	Jan.-Nov.	255,451	.....	62.1
COUNTY	thous. $	Jan.-Nov.	79,921	.....	59.6
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-Nov.	341,073	.....	53.4
Maui County	thous. $	Jan.-Nov.	36,683	.....	−15.8
Hawaii County	thous. $	Jan.-Nov.	46,116	.....	89.1
Kauai County	thous. $	Jan.-Nov.	13,387	.....	35.1
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	November	279.9	2.0	9.5
HIGH-RISE	1967=100	November	275.3	1.1	10.0
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	August	1,293.8	−22.1	9.0
	mil. $	Jan.-Aug.	11,357.5	.....	22.0
DIVERSIFIED MANUFACTURING	mil. $	August	42.5	−24.2	−16.2
	mil. $	Jan.-Aug.	367.2	.....	18.1
DIVERSIFIED AGRICULTURE	mil. $	August	8.3	−39.9	−6.3
	mil. $	Jan.-Aug.	103.6	.....	2.7
RETAILING	mil. $	August	384.0	−30.7	−8.8
	mil. $	Jan.-Aug.	3,790.2	.....	14.1
WHOLESALING	mil. $	August	424.1	−9.8	46.0
	mil. $	Jan.-Aug.	3,189.4	.....	32.2
SERVICES	mil. $	August	229.2	−22.0	−5.7
	mil. $	Jan.-Aug.	2,217.2	.....	18.0
NEW CAR SALES, OAHU	number	July	2,655	1.0	−2.3

N.A. = *not available*

Consumer Price Index

The Honolulu Consumer Price Index for all urban consumers registered an 11.5 % increase from October 1978 to October 1979. However, half of the increase stems from the gain in the housing component. The housing component includes rent, utilities, home furnishings, and also the cost of purchasing new homes. Ac-

BEST AVAILABLE COPY

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	November 30	3,914.2	0.8	18.7
Honolulu County	mil. $	November 30	3,225.3	0.7	19.9
Maui County	mil. $	November 30	254.5	−0.2	11.3
Hawaii County	mil. $	November 30	297.7	0.5	15.6
Kauai County	mil. $	November 30	136.7	4.9	13.4
BANK DEMAND DEPOSITS					
STATE	mil. $	November 30	1,219.4	2.6	13.1
Honolulu County	mil. $	November 30	1,020.3	2.4	12.7
Maui County	mil. $	November 30	82.0	0.8	12.9
Hawaii County	mil. $	November 30	84.4	5.8	18.3
Kauai County	mil. $	November 30	32.7	3.5	13.2
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	November	6,280.7	−5.3	26.4
Honolulu County	mil. $	November	5,761.8	−5.0	27.0
Maui County	mil. $	November	212.0	−16.3	9.6
Hawaii County	mil. $	November	223.8	−1.7	27.3
Kauai County	mil. $	November	83.1	−4.4	28.1
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	November	62.60	−4.8	14.1
Honolulu County	annual rate	November	68.59	−4.0	15.3
Maui County	annual rate	November	31.15	−17.1	−1.8
Hawaii County	annual rate	November	32.73	−5.6	8.4
Kauai County	annual rate	November	31.02	−4.5	14.0
TAX COLLECTIONS					
TAX COLLECTIONS—STATE	thous. $	November	79,247	−12.5	2.6
	thous. $	Jan.-Nov.	1,117,553	.....	14.3
Honolulu County	thous. $	November	68,780	−13.4	0.6
	thous. $	Jan.-Nov.	961,351	.....	13.9
Maui County	thous. $	November	4,200	−7.1	22.2
	thous. $	Jan.-Nov.	60,201	.....	18.9
Hawaii County	thous. $	November	4,347	−1.7	15.1
	thous. $	Jan.-Nov.	67,982	.....	14.8
Kauai County	thous. $	November	1,920	−16.1	14.7
	thous. $	Jan.-Nov.	28,019	.....	15.7

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	November	408.7p	2.2	3.4
Employment	thous.	November	382.2p	1.9	4.4
Unemployment	thous.	November	26.5p	6.9	−9.1
Unemployment Rate	percent	November	6.5p	4.8	−12.2
C & C OF HONOLULU					
Civilian Labor Force	thous.	November	322.7p	2.6	3.5
Employment	thous.	November	301.7p	2.1	4.2
Unemployment	thous.	November	21.0p	10.2	−5.4
Unemployment Rate	percent	November	6.5p	6.6	−8.5
MAUI COUNTY					
Civilian Labor Force	thous.	November	32.5p	0.9	4.8
Employment	thous.	November	30.5p	1.5	7.8
Unemployment	thous.	November	2.0p	−7.0	−24.5
Unemployment Rate	percent	November	6.2p	−7.5	−27.9
HAWAII COUNTY					
Civilian Labor Force	thous.	November	35.9p	1.3	1.6
Employment	thous.	November	33.3p	1.5	3.6
Unemployment	thous.	November	2.6p	−3.8	−20.3
Unemployment Rate	percent	November	7.2p	−4.0	−20.0
KAUAI COUNTY					
Civilian Labor Force	thous.	November	17.7p	−0.8	2.6
Employment	thous.	November	16.8p	−0.9	4.0
Unemployment	thous.	November	1.0p	5.6	−13.6
Unemployment Rate	percent	November	5.3p	3.9	−15.9
JOB COUNT BY INDUSTRY					
TOTAL JOBS-STATE[1]	thous.	November	439.0p	−0.2	n.c.
SUGAR (mill and field)[1]	thous.	November	9.1p	1.7	n.c.
PINEAPPLE (cannery and field)[1]	thous.	November	3.8p	5.6	n.c.
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	November	16.6p	0.6	n.c.
Durable Goods	thous.	November	4.8p	3.3	n.c.
Non-Durable Goods	thous.	November	11.8p	−0.4	n.c.
Apparel and Textiles	thous.	November	3.3p	0	n.c.
DIVERSIFIED AGRICULTURE[1] (excluding sugar and pineapple, but including agricultural self-employed)	thous.	November	9.8p	0	n.c.
FEDERAL GOVERNMENT	thous.	November	30.0p	0.2	n.c.
Civilian Agencies	thous.	November	11.0p	0.5	n.c.
Defense Department	thous.	November	19.0p	0	n.c.
STATE GOVERNMENT	thous.	November	41.3p	−3.6	n.c.
COUNTY GOVERNMENT	thous.	November	9.8p	−20.4	n.c.
CONTRACT CONSTRUCTION	thous.	November	23.2p	−0.9	n.c.
TRANSPORTATION	thous.	November	21.6p	0.5	n.c.
COMMUNICATION	thous.	November	6.9p	0.7	n.c.
UTILITIES	thous.	November	2.5p	0	n.c.
RETAIL TRADE	thous.	November	88.3p	0.6	n.c.
WHOLESALE TRADE	thous.	November	18.7p	1.6	n.c.
FINANCE, INSURANCE AND REAL ESTATE	thous.	November	30.6p	0.2	n.c.
HOTEL SERVICES-STATE	thous.	November	26.1p	2.8	n.c.
Honolulu County	thous.	November	16.2p	0.9	n.c.
Maui County	thous.	November	4.8p	7.9	n.c.
Hawaii County	thous.	November	3.4p	6.3	n.c.
Kauai County	thous.	November	1.7p	0	n.c.
OTHER SERVICES	thous.	November	76.5p	0.7	n.c.
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	November	11.38p	0	6.9
Average Weekly Hours	hours	November	31.4p	−5.7	−13.7
MANUFACTURING					
Average Hourly Earnings	dollars	November	6.55p	−2.2	5.6
Average Weekly Hours	hours	November	38.9p	−5.4	1.0
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	November	8.64p	−2.4	2.9
Average Weekly Hours	hours	November	44.4p	0	−5.1
TRADE					
Average Hourly Earnings	dollars	November	5.38p	−0.4	10.5
Average Weekly Hours	hours	November	32.7p	−1.5	−0.9
FINANCE					
Average Weekly Earnings	dollars	November	173.22p	0.9	5.6
HOTELS					
Average Hourly Earnings	dollars	November	5.25p	1.9	8.0
Average Weekly Hours	hours	November	31.2p	−5.7	−4.0
HIRED FARM WORKERS[2]					
Average Hourly Earnings	dollars	October	5.26p	6.0	11.2
Average Weekly Hours	hours	October	38.1p	−4.3	1.6

n.c. = not comparable
p = preliminary
[1]Series includes agricultural employment during October survey week.
[2]Includes some office and supervisory workers.

centrated than in the western states, making this sector of the travel market particularly prone to recessionary periods. The bargain fares offered by group travel probably attract visitors with limited discretionary income, which has been badly eroded of late by rampant inflation. The burden of home heating costs driven up by escalating fuel prices also weigh most heavily on this section of the country. Add to this the average 30% increase in domestic air fares in 1979 and for a good many of these people a Hawaii vacation is probably simply no longer affordable. The convention business, a significant portion of the group market, is down considerably. Through November 1979 meetings attendance as reported by the Convention Division of the HVB totaled 173,835-22.5 % lower than at the same time last year. It might be noted that leaving the group component out of the westbound travel market produces a total through November 1979 12.9% ahead of the year earlier figure.

There are a number of factors contributing to the strong eastbound showing. The Northwest Airlines strike in 1978 depressed east-bound totals during the spring and summer accentuating 1979 gains. New Zealand and Australia markets are up sharply as a result of markedly lower air fares. Air passenger capacity is up with a couple of new airlines serving Hawaii and increased flights of existing carriers. But figuring in most prominently to the boom in eastbound travel is the greater room availability resulting from the soft westbound market, according to HVB

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	November	14,919	38.5	40.9
INTRASTATE INITIAL CLAIMS	number	November	8,979	15.9	28.9
INTERSTATE INITIAL CLAIMS	number	November	403	−17.1	−10.8
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	November	3,404	−0.4	−11.6
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	October	69,791	0.3	−2.8
Services	no./cases	3rd Qtr.	13,475	−7.5	8.2
Medical	no./patients	October	47,151	3.4	−6.1
Food Stamps	no./persons	October	94,499	−1.6	5.3
PAYMENTS					
Income Maintenance	thous. $	October	9,059	1.2	−1.4
Services	thous. $	3rd Qtr.	4,226	3.0	16.9
Medical	thous. $	October	8,526	18.6	29.4
Food Stamps	thous. $	October	4,350	−1.1	56.2

[1]Count of recipients is duplicated. A person may be counted in each category.

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
DEFACTO—STATE	thous.	July 1, 1979	1,012.2	.....	2.2
TOTAL RESIDENT—STATE	thous.	July 1, 1979	914.8	.....	1.4
C & C of Honolulu	thous.	July 1, 1978	719.6	.....	0.3
Maui County	thous.	July 1, 1978	61.4	.....	1.8
Hawaii County	thous.	July 1, 1978	80.9	.....	2.1
Kauai County	thous.	July 1, 1978	34.7	.....	0.9
CIVILIAN RESIDENT—STATE	thous.	July 1, 1979	856.8	.....	1.3
MILITARY PERSONNEL—STATE	number	July 1, 1979	57,868	.....	−0.4
Ashore	number	July 1, 1979	44,915	.....	−2.4
Afloat	number	July 1, 1979	12,953	.....	7.0
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1979	64,518	.....	5.6
FOREIGN IMMIGRATION[1]	number	Year ending June 30, 1978	5,818p	.....	8.3
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	2nd Qtr. 1979	8,103	1.7	10.8
Employment Income[2]	mil. $	2nd Qtr. 1979	6,338	1.2	9.9
Manufacturing	mil. $	2nd Qtr. 1979	325	0.9	−1.8
Construction	mil. $	2nd Qtr. 1979	484	1.9	19.5
Wholesale	mil. $	2nd Qtr. 1979	279	1.8	8.1
Retail	mil. $	2nd Qtr. 1979	739	1.1	9.2
Finance, Ins. & Real Estate	mil. $	2nd Qtr. 1979	485	2.1	14.7
Trans., Comm., & Util.	mil. $	2nd Qtr. 1979	584	−0.3	10.2
Services	mil. $	2nd Qtr. 1979	1,270	2.1	11.1
Farm & Other	mil. $	2nd Qtr. 1979	243	0.8	21.5
Federal Civilian	mil. $	2nd Qtr. 1979	627	0.6	12.4
Federal Military	mil. $	2nd Qtr. 1979	568	−1.7	5.2
State & Local	mil. $	2nd Qtr. 1979	733	2.8	4.3
Property Income (Dividends, Interest, Rent)	mil. $	2nd Qtr. 1979	1,141	3.2	16.4
Transfer Payments (1,003) minus Personal Contributions For Social Ins. (380)	mil. $	2nd Qtr. 1979	623	4.4	9.5
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1978	8,437	.....	10.0
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1977	7,950	.....	6.5
Maui County	dollars	1977	7,209	.....	10.7
Hawaii County	dollars	1977	6,266	.....	8.8
Kauai County	dollars	1977	6,738	.....	14.3

**Total personal income and all components are seasonally adjusted at annual rates.
[1]These immigration statistics include only those entering Honolulu ports and do not include status changes.
[2]Includes wage and salary disbursements, proprietors' income, and other labor income.

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF 12 LEADING INDICATORS*	1967=100	November	136.6p	−1.3	−4.3
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	3rd Qtr.	2,396.5	2.9	11.0
In 1972 Dollars	bil. $	3rd Qtr.	1,433.3	0.8	1.8
PERSONAL INCOME**	bil. $	November	1,999.4	1.1	11.0
RETAIL SALES*	bil. $	November	76,992	1.8	9.7
INDUSTRIAL PRODUCTION*	1967=100	November	151.6	−0.5	0.7
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	October	33,584.7	1.4	22.9
TURNOVER OF DEMAND DEPOSITS**	annual rate	October	120.2	1.7	18.8
BANK LOANS*	bil. $	October	845.8	0.7	16.5
AVERAGE PRIME RATE CHARGED BY BANKS	percent	December	15.30p	−1.5	32.6
CONSUMER INSTALLMENT DEBT*	bil. $	October	305,217	0.1	14.8
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	October	236.0	0.6	8.4
CONSTRUCTION COST INDEXES					
Residences	1972=100	July	179.2	3.0	10.6
Apts, Hotel, Office Bldgs	1972=100	July	172.3	1.8	8.5
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	November	97,646p	0.4	2.0
UNEMPLOYMENT*	thous.	November	6,039p	−2.3	2.8
UNEMPLOYMENT RATE*	percent	November	5.8p	−3.3	0
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	November	227.6	0.9	12.8
All Urban Consumers	1967=100	November	227.5	0.9	12.6
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	November	226.2	1.3	12.8
All Commodities	1967=100	November	246.9	0.7	14.5

p = preliminary.
*Seasonally adjusted.
**Seasonally adjusted annual rate.

officials. Japanese tour operators have always had problems in the past getting the rooms they wanted but with the United strike, DC-10 groundings, and slack Mainland group tour market, there has been considerable excess capacity.

Dr Facto Population

A series on de facto population is being added to the Indicator series beginning with this issue of the Economic Indicators. De facto population is the count of persons actually present in the state whether or not they live here. It includes visitors present and excludes residents temporarily absent. These two components of de facto population are derived from Hawaii Visitors Bureau inflight passenger surveys and are applied to the annual estimates of Hawaii's resident population by the Hawaii State Department of Planning and Economic Development, source for the de facto series. The provisional estimate for 1979 is 1,012,200 which is comprised of the 914,800 total resident count, less an estimated 9,000 temporarily absent from the state in 1979, plus a preliminary visitor census count of 106,400. With Hawaii's mounting visitor population, de facto population has taken on increasing significance in recent years. In 1960 de facto population was only 1.4 percent larger than the count of all Hawaii residents. By 1970 this percentage had reached 3.6 percent and provisional estimates for 1979 show 10.6 percent. Between 1970 and 1979, while Hawaii's resident population increased 18.8%, her visitor population soared 183%.

First Hawaiian Bank Established 1858 Member FDIC

BEST AVAILABLE COPY

Economic Indicators

ISSN 0015-2757

A Monthly Report by the Research Division Dr. Thomas K. Hitch, Senior Vice President Shurei Hirozawa, Vice President January 1980

B 3500-1

A Decade of Ups and Downs in Diversified Agriculture

Hawaii's fine climate and year-round growing season should make the Islands an ideal place for agriculture. Until World War II the economy was based primarily on agriculture, with sugar and pineapple providing 42 percent of the jobs. With the growing importance of defense and tourism, however, the sugar industry's contribution to total personal income in Hawaii has shrunk to about 5 percent and pineapple's about to 2 percent, and neither of them can be considered growth industries.

But the State government has high hopes for diversified agriculture as a means of broadening Hawaii's economic base, and in this last decade has given it strong support. From 1970 to 1978 (the latest year for which data are available) the value of diversified agriculture sales increased 110 percent, from $63.5 million to $133 million. The big gainers were flowers and nursery products, from $4.2 million to $17.5 million; macadamia nuts from $2.9 million to $10.7 million; fruits, mainly papaya, from $3.5 million to $10.3 million; vegetables, from $6.9 million to $16.5 million; cattle, from $13.9 million to $24.4 million; milk, from $13 million to $23.7 million; hogs, from $4.1 million to $7.9 million; and eggs, from $8.4 million to $12.7 million.

This is not a very impressive record, considering that a large part of the gain simply reflects price increases, and that while production of fresh fruits and vegetables has increased, consumption and imports have increased faster, so that local produce now actually has a smaller share of the market.

The problems of diversified agriculture in Hawaii (high land costs, high transportation costs, lack of economies of scale, a small pocket market, and a flourishing array of pests) generally outweigh the climatic advantages.

The 1970s began with high hopes for Metcalf's sorghum crops for cattle feed, which collapsed when the birds couldn't be discouraged from eating the sorghum. And the decade ended with the failure of Hawaii Biogenics, which had hoped to provide corn for feedlot cattle, and finally concluded that we can import Mainland corn cheaper. The cattle industry is still struggling along, squeezed by high costs of imported feed, fertilizer, machinery, etc.

The 1970s also saw high hopes for Molokai-grown potatoes to supply potato chip manufacturers, for guinea grass to feed dairy cows, for ginger root as an export crop, for dry-land taro to make taro chips, for potted and cut dendrobium orchids for shipment to the Mainland, but all have been downed by one problem or another which resulted in unprofitability.

But there have been successes. Flowers and nursery products have more than quadrupled in value of sales. Exports of anthuriums have increased steadily and rapidly over the decade with the opening of a strong market in Europe, and in the last few years in Japan and Australia. Nursery products have found a large market on the Mainland, and the demand is far from filled. Production of macadamia nuts has more than doubled over the decade and the steady increase in the value added to it in the form of candy and other food products have made this a real growth industry. Although one large farm went out of business, the papaya industry's marketing has been successful with steady increases in exports over the decade. Seed corn acreage and production have increased somewhat but the importance of this industry is in its research capability. Coffee farmers had a couple of good years as a result of high world prices for coffee. Pakalolo growing (which is not encouraged—in fact is outlawed—by the government and is not recorded in official statistics) seems to be booming.

The next decade could see aquaculture expand and become an important industry, guava puree and passion fruit juice exports succeeding, Tedeschi's vineyards producing superb wine, Koi greenhouse tomatoes and cucumbers increasing their Mainland markets, and protea blossoms exported to the world's florists. Perhaps we can even become self-sufficient in banana production.

However, there is a new shadow over agricultural hopes: high shipping costs are going higher. Rising fuel costs mean higher surface cargo rates, which affect both the cost of importing needed supplies and equipment for farmers and the cost of exporting agricultural products that can be shipped by surface transportation. On the other side of the coin, the added costs of shipping produce to Hawaii might give local growers a little edge in the local market. But rising air fares will likely result in fewer passengers to Hawaii, which will mean a cutback in the number of flights. Growers of papayas, flowers, and nursery products have already suffered from reduced air freight capacity the past two years, and further reductions are probable.

The economic viability of diversified agriculture in Hawaii is affected so acutely by transportation costs and availability that the decade of the 1980s may well have more downs than ups.

First Hawaiian Bank
Established 1858 • Member of F.D.I.C.

business activity - hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	November	300,602p	−2.9	−1.5
	number	Jan.-Nov.	3,619,680p	.....	8.6
Westbound	number	November	236,001p	−5.0	−9.2
	number	Jan.-Nov.	2,885,454p	.....	4.8
Eastbound	number	November	64,601p	5.5	42.4
	number	Jan.-Nov.	734,226p	.....	26.4
AVERAGE DAILY VISITOR CENSUS[1]	number	November	86,731	−1.7	−4.4
AVERAGE LENGTH OF STAY[1]	no. of days	November	10.2	0	1.0
MEETINGS ATTENDANCE	number	Jan.-Nov.	173,835	.....	−22.5
ORGANIZED GROUP TOURS	number	November	59,87i	−15.2	−35.5
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	November	109,121p	−3.9	−12.8
	number	Jan.-Nov.	1,318,925p	.....	3.0
Hawaii	number	November	61,228p	−8.3	−18.7
	number	Jan.-Nov.	800,966p	.....	−3.9
Kauai	number	November	57,175p	−14.4	−22.3
	number	Jan.-Nov.	769,603p	.....	−0.4
VISITOR ACCOMMODATIONS					
STATE	number	October	51,782	.....	6.1
Oahu	number	October	32,088	.....	9.5
Waikiki	number	October	28,142	.....	10.0
Maui (includes 11 on Lanai)	number	October	9,051	.....	3.9
Molokai	number	October	557	.....	6.9
Hawaii	number	October	5,979	.....	−2.1
Kauai	number	October	4,107	.....	−1.3
HOTEL OCCUPANCY					
STATE	percent	November	68.8	−4.8	−15.8
Oahu	percent	November	68.5	−2.8	−19.0
Maui	percent	November	69.5	−0.3	−12.8
Hawaii	percent	November	59.0	−8.2	−10.3
Kauai	percent	November	71.8	−7.5	−13.8
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	3rd Qtr.	323.7	8.9	n.c.
Military Payroll	mil. $	3rd Qtr.	124.8	1.4	n.c.
Civilian Payroll	mil. $	3rd Qtr.	102.9	16.8	n.c.
Local Purchases	mil. $	3rd Qtr.	96.0	11.6	n.c.
SUGAR					
SUGAR PRODUCTION	thous. tons.	December 1	1,014,220	.....	3.3
N. Y. RAW SUGAR PRICE	$/ton	November	325.71	2.2	15.3
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-Aug.	113,674	.....	28.9
FRESH	thous. lbs.	Jan.-Nov.	173,220	.....	−0.1
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	October	211.1	1.9	11.9
All Urban Consumers, All items	1967=100	October	210.5	1.6	11.5
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	November	543.4	−8.0	2.3
GAS SALES	thous. therms	November	4,183	2.1	−4.2
TELEPHONES IN SERVICE	thous.	November	682.9	0.5	4.0

n.c. = *not comparable*
p = *preliminary*
[1] *Estimated Westbound*
[2] *Gross taxable income valued at time of shipment.*

Defense Expenditures

Data covering Hawaii Air National Guard spending for military and civilian payroll in 1979 were recently made available and are included with this issue of the Economic Indicators. Unfortunately the data don't cover Air National Guard purchases as there is no record available locally. The addition of Air National Guard spending increased the DOD appropriated funds total by about 1.5%.

Tourism

With increases in the Hawaii visitor total generally on the decline since 15-16 percent gains were recorded in the first quarter of last year, the cumulative visitor total has slowly been chiseled away. Through November the count of overnight and longer visitors was 8.6% ahead of the year earlier figure. Without the strong eastbound travel market (up 26.4% over the

business activity - hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	August	92.1	−30.6	3.9
	mil. $	Jan.-Aug.	864.7	.....	23.6
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Nov.	538,615	.....	44.2
C&C of Honolulu	thous. $	Jan.-Nov.	250,969	.....	41.8
Maui County	thous. $	Jan.-Nov.	103,889	.....	11.5
Hawaii County	thous. $	Jan.-Nov.	85,819	.....	52.4
Kauai County	thous. $	Jan.-Nov.	97,938	.....	107.7
SINGLE FAMILY UNITS					
STATE	number	Jan.-Nov.	5,479	.....	18.1
C&C of Honolulu	number	Jan.-Nov.	2,719	.....	43.3
Maui County	number	Jan.-Nov.	927	.....	−1.5
Hawaii County	number	Jan.-Nov.	1,344	.....	4.9
Kauai County	number	Jan.-Nov.	489	.....	−5.6
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Nov.	4,351	.....	34.3
C&C of Honolulu	number	Jan.-Nov.	1,448	.....	15.1
Maui County	number	Jan.-Nov.	1,082	.....	3.2
Hawaii County	number	Jan.-Nov.	652	.....	110.3
Kauai County	number	Jan.-Nov.	1,169	.....	87.6
NONRESIDENTIAL					
STATE	thous. $	Jan.-Nov.	243,768	.....	10.3
C&C of Honolulu	thous. $	Jan.-Nov.	184,092	.....	33.7
Maui County	thous. $	Jan.-Nov.	28,099	.....	−56.4
Hawaii County	thous. $	Jan.-Nov.	18,459	.....	52.6
Kauai County	thous. $	Jan.-Nov.	13,118	.....	96.0
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-Dec.	440,738	.....	41.1
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-Dec.	103,883	.....	7.5
STATE	thous. $	Jan.-Dec.	256,629	.....	55.8
COUNTY	thous. $	Jan.-Dec.	80,225	.....	57.4
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-Dec.	343,460	.....	47.9
Maui County	thous. $	Jan.-Dec.	36,777	.....	−15.6
Hawaii County	thous. $	Jan.-Dec.	46,965	.....	78.8
Kauai County	thous. $	Jan.-Dec.	13,537	.....	33.3
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	December	281.0	0.4	9.6
HIGH-RISE	1967=100	December	276.0	0.3	10.3
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	August	1,293.8	−22.1	9.0
	mil. $	Jan.-Aug.	11,357.5	.....	22.0
DIVERSIFIED MANUFACTURING	mil. $	August	42.5	−24.2	−16.2
	mil. $	Jan.-Aug.	367.2	.....	18.1
DIVERSIFIED AGRICULTURE	mil. $	August	8.3	−39.9	−6.3
	mil. $	Jan.-Aug.	103.6	.....	2.7
RETAILING	mil. $	August	384.0	−30.7	−8.8
	mil. $	Jan.-Aug.	3,790.2	.....	14.1
WHOLESALING	mil. $	August	424.1	−9.8	46.0
	mil. $	Jan.-Aug.	3,189.4	.....	32.2
SERVICES	mil. $	August	229.2	−22.0	−5.7
	mil. $	Jan.-Aug.	2,217.2	.....	18.0
NEW CAR SALES, OAHU	number	July	2,655	1.0	−2.3

year) to buoy the visitor total, the 1979 showing would have been much more modest as the westbound sector was up only 4.8%.

The first crimp in westbound travel occurred in the spring quarter with the United Airlines strike and the DC-10 groundings. Since then it appears a combination of factors have been at work to retard westbound travel – higher air fares driven up by higher fuel costs, higher energy bills for consumers, inflationary erosion of consumer income, and uncertain economic and international conditions.

Taking the heaviest toll on the westbound sector in 1979 has been the group travel market, down 10.3% through November compared to Jan.-Nov. 1978. These travelers originate primarily from the Midwest and Eastern U.S. where industrial activity is more heavily con-

BEST AVAILABLE COPY

finance-hawaii

series	unit	period	number	percent change from preceding period
BANKING				
TOTAL BANK DEPOSITS				
STATE	mil. $	December 31	4,085.6	4.4
Honolulu County	mil. $	December 31	3,375.2	4.6
Maui County	mil. $	December 31	264.0	3.7
Hawaii County	mil. $	December 31	306.8	3.1
Kauai County	mil. $	December 31	139.6	2.1
BANK DEMAND DEPOSITS				
STATE	mil. $	December 31	1,392.8	14.2
Honolulu County	mil. $	December 31	1,172.0	14.9
Maui County	mil. $	December 31	91.7	11.8
Hawaii County	mil. $	December 31	92.1	9.1
Kauai County	mil. $	December 31	37.1	13.4
DEBITS TO DEMAND DEPOSITS				
STATE	mil. $	December	6,534.7	4.0
Honolulu County	mil. $	December	5,985.5	3.9
Maui County	mil. $	December	245.5	15.8
Hawaii County	mil. $	December	219.9	−1.7
Kauai County	mil. $	December	83.7	0.7
TURNOVER OF DEMAND DEPOSITS				
STATE	annual rate	December	60.04	−4.1
Honolulu County	annual rate	December	65.53	−4.5
Maui County	annual rate	December	33.92	8.9
Hawaii County	annual rate	December	29.91	−8.6
Kauai County	annual rate	December	28.79	−7.2
TAX COLLECTIONS				
TAX COLLECTIONS—STATE	thous. $	December	80,420	1.5
	thous. $	Jan.-Dec.	1,197,981	.....
Honolulu County	thous. $	December	69,205	0.6
	thous. $	Jan.-Dec.	1,030,548	.....
Maui County	thous. $	December	4,704	12.0
	thous. $	Jan.-Dec.	64,905	.....
Hawaii County	thous. $	December	4,579	5.2
	thous. $	Jan.-Dec.	72,577	.....
Kauai County	thous. $	December	1,933	0.6
	thous. $	Jan.-Dec.	29,952	.....

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period
EMPLOYMENT IN STATE AND COUNTIES (number of persons)				
STATE				
Civilian Labor Force	thous.	December	406.4p	−0.[illegible]
Employment	thous.	December	383.7p	0.[illegible]
Unemployment	thous.	December	22.7p	−14.[illegible]
Unemployment Rate	percent	December	5.6p	−13.[illegible]
C & C OF HONOLULU				
Civilian Labor Force	thous.	December	320.1p	−0.6
Employment	thous.	December	303.3p	0.5
Unemployment	thous.	December	16.9p	−19.6
Unemployment Rate	percent	December	5.3p	−18.5
MAUI COUNTY				
Civilian Labor Force	thous.	December	32.7p	0.[illegible]
Employment	thous.	December	30.5p	[illegible]
Unemployment	thous.	December	2.3p	12.5
Unemployment Rate	percent	December	6.9p	11.[illegible]
HAWAII COUNTY				
Civilian Labor Force	thous.	December	35.7p	−0.[illegible]
Employment	thous.	December	33.1p	−0.[illegible]
Unemployment	thous.	December	2.6p	2.[illegible]
Unemployment Rate	percent	December	7.2p	[illegible]
KAUAI COUNTY				
Civilian Labor Force	thous.	December	17.9p	0.[illegible]
Employment	thous.	December	16.9p	0.[illegible]
Unemployment	thous.	December	1.0p	[illegible]
Unemployment Rate	percent	December	5.4p	1.5
JOB COUNT BY INDUSTRY				
TOTAL JOBS-STATE[1]	thous.	December	449.5p	0.[illegible]
SUGAR (mill and field)[1]	thous.	December	9.1p	[illegible]
PINEAPPLE (cannery and field)[1]	thous.	December	4.1p	6.[illegible]
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	December	16.6p	[illegible]
Durable Goods	thous.	December	4.8p	[illegible]
Non-Durable Goods	thous.	December	11.9p	[illegible]
Apparel and Textiles	thous.	December	3.3p	[illegible]
DIVERSIFIED AGRICULTURE[1] (excluding sugar and pineapple, but including agricultural self-employed)	thous.	December	9.8p	[illegible]
FEDERAL GOVERNMENT	thous.	December	30.1p	0.[illegible]
Civilian Agencies	thous.	December	11.2p	1.[illegible]
Defense Department	thous.	December	18.9p	−0.[illegible]
STATE GOVERNMENT	thous.	December	44.4p	7.[illegible]
COUNTY GOVERNMENT	thous.	December	12.7p	30.[illegible]
CONTRACT CONSTRUCTION	thous.	December	23.2p	−0.[illegible]
TRANSPORTATION	thous.	December	21.7p	0.[illegible]
COMMUNICATION	thous.	December	6.9p	[illegible]
UTILITIES	thous.	December	2.5p	[illegible]
RETAIL TRADE	thous.	December	89.6p	1.[illegible]
WHOLESALE TRADE	thous.	December	18.8p	1.[illegible]
FINANCE, INSURANCE AND REAL ESTATE	thous.	December	30.9p	0.[illegible]
HOTEL SERVICES-STATE	thous.	December	26.1p	−0.[illegible]
Honolulu County	thous.	December	16.3p	0.[illegible]
Maui County	thous.	December	4.9p	1.[illegible]
Hawaii County	thous.	December	3.3p	−1.[illegible]
Kauai County	thous.	December	1.7p	−2.[illegible]
OTHER SERVICES	thous.	December	78.9p	2.[illegible]
HOURS AND EARNINGS BY INDUSTRY				
CONTRACT CONSTRUCTION				
Average Hourly Earnings	dollars	December	11.45p	0.[illegible]
Average Weekly Hours	hours	December	37.4p	19.[illegible]
MANUFACTURING				
Average Hourly Earnings	dollars	December	6.66p	1.[illegible]
Average Weekly Hours	hours	December	40.1p	3.[illegible]
COMMUNICATION AND UTILITIES				
Average Hourly Earnings	dollars	December	8.87p	2.[illegible]
Average Weekly Hours	hours	December	43.9p	−1.[illegible]
TRADE				
Average Hourly Earnings	dollars	December	5.41p	0.6
Average Weekly Hours	hours	December	33.7p	3.[illegible]
FINANCE				
Average Weekly Earnings	dollars	December	185.58p	7.[illegible]
HOTELS				
Average Hourly Earnings	dollars	December	5.45p	3.8
Average Weekly Hours	hours	December	30.3p	−2.5
HIRED FARM WORKERS[2]				
Average Hourly Earnings	dollars	October	5.26p	6.0
Average Weekly Hours	hours	October	38.1p	−4.3

n.c. = not comparable
p = preliminary
[1]Series includes agricultural employment during October survey week.
[2]Includes some office and supervisory workers.

finance-hawaii

public assistance-hawaii

period	number	percent change from preceding period	percent change year ago
January	10,823	5.6	3.0
January	7,907	78.9	25.7
January	547	38.1	3.0
January	4,123	38.0	14.8
December	70,770p	1.1	−0.9
3rd Qtr.	13,475	−7.5	8.2
December	48,462p	−13.9	−11.2
December	100,605p	2.0	16.5
December	9,190p	−1.0	1.4
3rd Qtr.	4,226	3.0	16.9
December	8,331p	−23.0	1.7
December	4,710p	0	76.1

, personal
waii

period	number	percent change from preceding period	percent change year ago
July 1, 1979	1,012.2	.....	2.2
July 1, 1979	914.8	.....	1.4
July 1, 1978	719.6	.....	0.3
July 1, 1978	61.4	.....	1.8
July 1, 1978	80.9	.....	2.1
July 1, 1978	34.7	.....	0.9
July 1, 1979	856.8	.....	1.3
July 1, 1979	57,868	.....	−0.4
July 1, 1979	44,915	.....	−2.4
July 1, 1979	12,953	.....	7.0
July 1, 1979	64,518	.....	5.6
12 mo. ending January 31	6,526	.....	0.2
3rd Qtr. 1979	8,371	3.3	10.3
3rd Qtr. 1979	6,519	2.9	9.2
3rd Qtr. 1979	329	1.2	3.5
3rd Qtr. 1979	506	4.5	16.1
3rd Qtr. 1979	286	2.5	7.5
3rd Qtr. 1979	750	1.5	7.0
3rd Qtr. 1979	505	4.1	16.1
3rd Qtr. 1979	631	8.0	13.5
3rd Qtr. 1979	1,323	4.2	11.3
3rd Qtr. 1979	244	0.4	16.2
3rd Qtr. 1979	631	0.6	8.8
3rd Qtr. 1979	568	0	1.1
3rd Qtr. 1979	746	1.8	4.0
3rd Qtr. 1979	1,171	2.6	14.1
3rd Qtr. 1979	681	9.3	14.6
1978	8,437	.....	10.0
1977	7,950	.....	6.5
1977	7,209	.....	10.7
1977	6,266	.....	8.8
1977	6,738	.....	14.3

annual rates.
and do not include status changes.
labor income.

ic indicators

period	number	percent change from preceding period	percent change year ago
December	136.8p	0	−4.3
4th Qtr. '79	2,459.4r	2.6	10.0
4th Qtr. '79	1,440.7r	0.5	1.0
January	2,035.6p	0.6	11.0
January	78,545	2.3	10.9
January	152.7e	0.3	0.8
November	32,661.9	−2.7	20.3
November	117.2	−2.5	16.2
December	846.2	0.3	13.2
February	15.63	2.5	33.0
December	311.339	1.2	13.0
December	239.6	0.9	7.3
September	180.8	0.9	8.7
September	174.0	1.0	8.3
January	97,804	−0.1	1.7
January	6,425	5.5	8.8
January	6.2	5.1	6.9
January	233.3	1.4	14.0
January	233.2	1.4	13.9
January	231.9	1.6	13.0
January	254.7	2.1	15.4

these two industries stems primarily from tourism and shows how vital the visitor industry is to the growth of the Hawaiian economy.

Service employment rose by 8,150 in 1979 from an average 90,300 in 1978 to 98,450 last year, and represented 42% of the state job gain. 2,100 of the increase occurred in hotel services with Oahu experiencing the largest gain — 1,400 more hotel jobs. There were 700 hotel jobs added in Maui County and 150 more on Kauai. The Big Island didn't share in the gain, losing instead 150 hotel jobs. Retail employment rose by 5,600 last year to 86,200 from 80,700 in 1978 to capture 28% of the Hawaii job gain.

Construction jobs increased the most on a percentage basis last year rising 11%. There were 22,950 construction workers, 2,200 more than in 1978. Other significant gains were recorded in transportation, up 1,100 jobs; wholesaling, up 1,000; and in the finance, insurance, and real estate sector where there were 1,400 more jobs. Agriculture fared the worst. Sugar employment fell by 100 and diversified agriculture lost 900 jobs.

Hawaii's job count expanded more in 1979 than in any other postwar year except 1969 when an increase of 19,980 jobs was recorded. (The increase in construction alone that year was 4,000.) Last year's job gain was concentrated almost entirely in the private sector. Government jobs remained virtually unchanged. Noteworthy was the gain of 550 in federal civilian jobs where 1,250 had been lost since 1972. The increase was offset, however, by losses of 200 in the federal defense sector and 600 in county government employment. There were a few hundred more jobs added at the state government level last year.

First Hawaiian Bank Established 1858 Member FDIC

Economic Indicators

ISSN 0015-2757

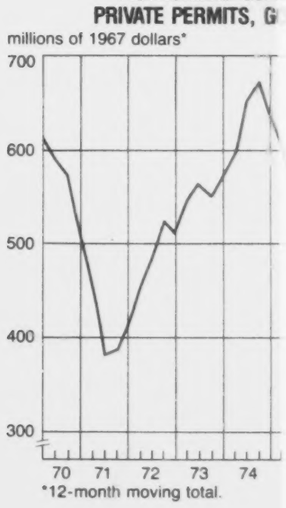
A Monthly Report by the Research Division — *Dr. Thomas K. Hitch, Senior Vice President* — *Shurei Hirozawa, Vice President* — *March, 1980*

1980 Tourism Outlook

It is generally agre
ture is pretty gloomy—
one and a quarter milli
to one and three quart
1978. The two prime f
long-heralded incipien
interest rates that we l

In Hawaii the pict
frequently the case. A
the early 1970s, const
and declined even furt
but for the last year an
recovery. The three ch
story graphically.

Moreover, the outl
very good. To begin w
down in tourism growt
the early stages of a
months of 1979 state ta
tax (tax on all business
income tax were both u
of 1978—and when y
those increases were d
increase in the real vol
real volume of income
not associate with reces
struction put in place
September cumulative
ing permits and publi
percent through Nove
trated in the second h



Despite the high cost of fuel, the airlines are not faced
with a fuel availability problem for their established route
system yet, and there is no indication that this problem will
surface in the months ahead. But there are some questions
entering new markets. This makes
the 15 airlines granted routes be-
ornia and points East, and the 10
awaii-Northwest routes by the CAB
rving Hawaii any time soon.

er air fares, inflation has sent the
s soaring. Room rates have been
past few years, as have prices for
ransportation, and entertainment.
faced with the same inflationary
of rapidly rising costs, a saving on
ion price tag becomes more attrac-
visitors from the Midwest and East
Mexico, the Caribbean, and Miami
s mean lower transportation cost.
lation Act of 1978 gave America
avel boomed. For Hawaii, arrivals
ugh the first quarter of 1979. But
Airlines and the grounding of the
es of the second quarter. Arrivals
third quarter began, but the re-
l as rising fares and forecasts of a
in the last four months of the year.
w that California, Hawaii's No. 1
t more visitors than a year earlier,
even. It was the Midwest that was
this indicates that many from mid-
s closer to home. In this era of rising
bolster visitor traffic by competing
oing to mean charters to get price
level. United Airlines chairman
"In 1978 we saw that deregulation
n 1980, we'll have a chance to see
ion works in a recession." Deregula-
s with flexibility to adapt fares and
arketing. There are growing signs
Hawaii are working with the rest of
fering attractive plans with creative
Advance bookings for hotel rooms
ome extra promotion would add to

a negative growth year in visitor
ears, and despite the current worries
y start it is possible that this year will
ly flat (like 1958 and 1975) rather
d.

Bank

business activity - hawaii

series	unit	period	number
TOURISM			
OVERNIGHT OR LONGER VISITORS	number	December	343
	number	Jan.-Dec.	3,956
Westbound	number	December	266
	number	Jan.-Dec.	3,145
Eastbound	number	December	77
	number	Jan.-Dec.	811
AVERAGE DAILY VISITOR CENSUS[1]	number	December	96
AVERAGE LENGTH OF STAY[1]	no. of days	December	
MEETINGS ATTENDANCE	number	Jan.-Dec.	181
ORGANIZED GROUP TOURS	number	December	52
NEIGHBOR ISLAND VISITORS[1]			
Maui	number	December	106
	number	Jan.-Dec.	1,422
Hawaii	number	December	63
	number	Jan.-Dec.	862
Kauai	number	December	58
	number	Jan.-Dec.	826
VISITOR ACCOMMODATIONS			
STATE	number	October	51
Oahu	number	October	32
Waikiki	number	October	28
Maui (includes 11 on Lanai)	number	October	9
Molokai	number	October	
Hawaii	number	October	5
Kauai	number	October	4
HOTEL OCCUPANCY			
STATE	percent	December	
Oahu	percent	December	
Maui	percent	December	
Hawaii	percent	December	
Kauai	percent	December	
DEFENSE EXPENDITURES			
APPROPRIATED FUNDS TOTAL	mil. $	4th Qtr.	30
Military Payroll	mil. $	4th Qtr.	13
Civilian Payroll	mil. $	4th Qtr.	9
Local Purchases	mil. $	4th Qtr.	8
SUGAR			
SUGAR PRODUCTION	thous. tons	December 31	1,059,
N. Y. RAW SUGAR PRICE	$/ton	December	360
PINEAPPLE SHIPMENTS			
CANNED[2]	thous. $	Jan.-Oct.	151,
FRESH	thous. lbs.	Jan.-Dec.	184,
HONOLULU PRICES			
HONOLULU CONSUMER PRICE INDEX			
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	December	21
All Urban Consumers, All items	1967=100	December	21
PUBLIC UTILITIES			
ELECTRICITY GENERATED	mil. KWH	December	56
GAS SALES	thous. therms	December	4,
TELEPHONES IN SERVICE	thous.	December	68

n.c. = not comparable
p = preliminary
[1]Estimated Westbound
[2]Gross taxable income valued at time of shipment.

that way, but they are a general indicator of cur-

hawaii [cont.]

number	percent change from preceding period	percent change year ago
111.7	−16.2	22.8
1,109.6	.....	24.4
31,333	.....	−3.3
8,434	.....	−36.8
6,927	.....	−13.8
8,169	.....	−3.7
7,804	.....	209.3
318	.....	−28.2
131	.....	−29.6
60	.....	−29.4
96	.....	−22.6
31	.....	−35.4
279	.....	−1.8
8	.....	−75.0
82	.....	−54.9
81	.....	15.7
108	.....	+
27,747	.....	230.5
10,404	.....	67.1
1,671	.....	94.7
1,440	.....	138.2
14,233	.....	+
18,033	.....	−79.0
3,542	.....	−84.5
5,624	.....	−87.0
8,867	.....	−54.9
13,356	.....	−79.7
1,236	.....	−89.8
3,229	.....	−58.5
213	.....	68.2
283.8	0.6	10.2
282.2	0.9	10.8
1,419.7	−15.1	16.2
14,448.8	.....	23.3
57.4	−6.5	35.7
486.1	.....	23.7
12.6	−12.1	9.5
130.6	.....	3.5
481.7	−11.6	15.6
4,817.0	.....	15.5
392.7	−18.0	24.2
4,060.6	.....	34.5
246.2	−20.9	−4.5
1,109.6	.....	24.4
n.a.	.....	.....

Navy and Marines — rose 10% last year, just about keeping pace with inflation. 1979, however, was an atypical year for the Army in Hawaii relative to the experience of the past decade. Since 1970 Army spending has risen 28.5% in real terms (after discounting for inflation) and the count of personnel has increased 76.4% from 10,000 to 17,637 last year. Gains in the Army sector are what have held up the defense total against Air Force losses of 36% in personnel — from 9,758 to 6,209 — and 36% in "real" dollar spending between 1970 and 1979. The Navy and Marines, which issue a combined fiscal report locally, are at a level little changed from 1970 with spending up 8.8% in real terms and 2.7% more personnel — 33,197 vs. 32,312 in 1970. The table below shows defense spending locally ex-

to 811,006, 26.9% ahead of the 1978 eastbound total.

HAWAII IN 1979

Year-end summary of Hawaii's economic indicators

RESEARCH DIVISION
First Hawaiian Bank

business activity—hawaii

series	unit	period	1979	1978	% change 1979/78
TOURISM					
[illegible]	number	total	3,960,531	3,670,309	7.9
[illegible]	number	total	3,139,455	3,030,999	3.6
[illegible]	number	total	821,076	639,310	28.4
[illegible]	number	monthly average	95,642	88,995	7.5
[illegible]	no. of days	monthly average	10.4p	10.2	2.0
[illegible]	number	total	186,871p	230,273	18.8
[illegible]	number	total	913,209	1,037,920	12.0
[illegible]	number	total	1,419,773	1,403,054	1.2
[illegible]	number	total	860,940	908,983	5.3
[illegible]	number	total	825,366	837,705	1.5
[illegible]	number	October	51,782	48,790	6.1
[illegible]	number	October	32,088	29,294	9.5
[illegible]	number	October	28,142	25,585	10.0
[illegible]	number	October	9,051	8,708	3.9
[illegible]	number	October	557	521	6.9
[illegible]	number	October	5,979	6,105	2.1
[illegible]	number	October	4,107	4,162	1.3
[illegible]	percent	monthly average	73.7	78.6	6.1
[illegible]	percent	monthly average	76.1	80.9	5.9
[illegible]	percent	monthly average	73.0	80.4	9.2
[illegible]	percent	monthly average	62.0	65.0	4.6
[illegible]	percent	monthly average	76.5	83.3	8.2
DEFENSE EXPENDITURES					
[illegible]	mil. $	total	1,239.6	1,157.0	7.1
[illegible]	mil. $	total	502.4	466.9	7.6
[illegible]	mil. $	total	385.9	354.5	8.9
[illegible]	mil. $	total	351.3	335.5	4.7
SUGAR					
[illegible]	thous. tons	total	1,059.7	1,028.9	3.0
[illegible]	$ ton	monthly average	303.83	274.94	10.5
PINEAPPLE SALES					
[illegible]	mil. $	Jan.-Oct.	151.1	112.0	34.9
[illegible]	thous. lbs.	total	184,827	185,458	0.3
HONOLULU PRICES					
[illegible]	[illegible]	monthly average	204.6	184.1	11.1
[illegible]	[illegible]	monthly average	204.6	184.1	11.1
PUBLIC UTILITIES					
[illegible]	mil. kWh	total	6,606.2	6,418.6	2.9
[illegible]	thous. therm.	total	52,726	52,091	1.2
[illegible]	thous.	end of period	684.8	659.1	3.9
CONSTRUCTION					
[illegible]	mil. $	Jan.-Oct.	1,109.6	892.0	24.4
PRIVATE PERMITS AUTHORIZED					
[illegible]	thous. $	total	588,685	437,601	34.5
[illegible]	thous. $	total	288,863	223,539	29.2
[illegible]	thous. $	total	107,857	104,094	3.6
[illegible]	thous. $	total	91,942	60,963	50.8
[illegible]	thous. $	total	100,024	49,005	104.1
[illegible]	number	total	5,973	5,005	19.3
[illegible]	number	total	3,022	2,074	45.7
[illegible]	number	total	1,010	994	1.6
[illegible]	number	total	1,429	1,382	3.4
[illegible]	number	total	512	555	7.7
[illegible]	number	total	4,939	4,465	10.6
[illegible]	number	total	1,938	2,178	11.0
[illegible]	number	total	1,098	1,330	17.4
[illegible]	number	total	734	334	119.8
[illegible]	number	total	1,169	623	87.6

p—preliminary

†Estimated Westbound

‡Gross taxable income valued at time of shipment

series	unit	period	1979	1978	% change 1979/78
PRIVATE PERMITS AUTHORIZED (continued)					
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
PUBLIC CONTRACTS AWARDED					
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
HONOLULU CONSTRUCTION COST INDEXES					
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
BUSINESS SALES					
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]		

finance—hawaii

BANKING					
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
	[illegible]	monthly average	[illegible]	[illegible]	[illegible]
TAX COLLECTIONS					
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]
	[illegible]	total	[illegible]	[illegible]	[illegible]

[illegible]

civilian labor force, employment—hawaii

series	unit	period	1979	1978	% change 1979/78
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
	number	monthly average	399,000	400,000	0.3
	number	monthly average	374,000	369,000	1.4
	number	monthly average	25,000	31,000	19.4
	percent	monthly average	6.3	7.8	−19.2
	number	monthly average	313,850	314,750	0.3
	number	monthly average	294,750	290,950	1.3
	number	monthly average	19,100	23,800	19.7
	percent	monthly average	6.1	7.6	19.7
	number	monthly average	32,400	31,750	2.0
	number	monthly average	30,350	29,350	3.4
	number	monthly average	2,050	2,400	14.6
	percent	monthly average	6.3	7.5	16.0
	number	monthly average	35,250	35,900	1.8
	number	monthly average	32,400	32,300	0.3
	number	monthly average	2,850	3,600	20.8
	percent	monthly average	8.1	10.1	19.8
	number	monthly average	17,500	17,600	0.6
	number	monthly average	16,550	16,400	0.9
	number	monthly average	1,000	1,200	16.7
	percent	monthly average	6.0	6.9	18.8
EMPLOYMENT BY INDUSTRY GROUPS (number of jobs)					
	number	monthly average	430,000	417,650	2.6
	number	monthly average	9,000	9,100	[illegible]
	number	monthly average	5,750	5,750	[illegible]
	number	monthly average	16,450	16,800	[illegible]
	number	monthly average	4,600	4,700	[illegible]
	number	monthly average	11,700	11,600	[illegible]
	number	monthly average	3,300	3,200	[illegible]
	number	monthly average	7,900	8,800	[illegible]
	number	monthly average	22,950	20,650	[illegible]
	number	monthly average	21,100	19,950	[illegible]
	number	monthly average	6,700	6,350	[illegible]
	number	monthly average	2,500	2,000	[illegible]
	number	monthly average	86,200	80,700	[illegible]
	number	monthly average	18,200	17,200	[illegible]
	number	monthly average	30,250	28,850	[illegible]
	number	monthly average	24,950	22,850	[illegible]
	number	monthly average	15,750	14,350	[illegible]
	number	monthly average	4,350	3,650	[illegible]
	number	monthly average	3,350	3,200	[illegible]
	number	monthly average	1,750	1,600	[illegible]
	number	monthly average	70,000	67,450	[illegible]
	number	monthly average	29,750	29,350	[illegible]
	number	monthly average	10,800	10,250	[illegible]
	number	monthly average	18,900	19,100	[illegible]
	number	monthly average	43,300	43,350	[illegible]
	number	monthly average	13,000	14,350	[illegible]
HOURS AND EARNINGS BY INDUSTRY					
	dollars	monthly average	10.96p	10.53	4.1
	hours	monthly average	36.3p	36.6	0.8
	dollars	monthly average	6.43p	5.90	8.9
	hours	monthly average	38.8p	38.6	0.5
	dollars	monthly average	8.58p	7.94	8.1
	hours	monthly average	44.4p	44.4	0

p = preliminary

series	unit	period	1979	1978	% change 1979/78
HOURS AND EARNINGS BY INDUSTRY (continued)					
	dollars	monthly average	5.18p	4.79	8.1
	hours	monthly average	33.3p	33.0	0.9
	dollars	monthly average	175.33p	166.48	5.3
	dollars	monthly average	5.23p	4.79	9.2
	hours	monthly average	32.0p	32.4	-1.2
	dollars	monthly average	5.01	4.87	2.9
	hours	monthly average	38.3	38.1	0.5

public assistance—hawaii

series	unit	period	1979	1978	% change 1979/78
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS[1]					
	number	monthly average	10,434	11,607	-10.1
	number	total	71,177	54,311	16.2
	number	total	5,414	6,460	-17.1
	thous. $	total	39,864	47,896	-16.8
PUBLIC ASSISTANCE					
	no. persons	monthly average	70,112p	72,882	-3.8
	no. cases	3-quarter average	13,640p	12,731	7.1
	no. patients	monthly average	51,226p	52,461	-2.4
	no. persons	monthly average	94,101	91,338	3.0
	thous. $	total	106,157p	109,742	-3.4
	thous. $	total	17,285p	16,175	6.9
	thous. $	total	103,617p	93,792	10.5
	thous. $	total	47,440	33,687	40.8

p=preliminary
[1]Includes state office and supervisory workers.
[2]Labor of Manpower Area residing and seeking employment in Hawaii.
[3]Count of recipients is duplicated. A person may be counted in each category.
[4]Includes only the government portion of the food stamp purchase.

population, personal income—hawaii

series	unit	period	1979	1978	% change 1979/78
POPULATION					
		July 1	1,012.2p	990.5	2.2
	thous.	July 1	914.8p	902.3	1.4
	thous.	July 1	n.a.	524.3	
	thous.	July 1	n.a.	61.0	
	thous.	July 1	n.a.	91.3	
	thous.	July 1	n.a.	34.9	
	thous.	July 1	896.8	885.9	1.2
	number	July 1	57,986	56,106	3.4
	number	July 1	33,415	36,001	-7.2
	number	July 1	12,863	12,105	7.0
	number	July 1	64,516	61,084	5.6
	number	31 ending Dec. 31	6,569p	6,477	1.4
PERSONAL INCOME					
	mil. $	annual average	4,413p	3,961	11.4
	mil. $	3-quarter average	4,417	3,967	11.3
	mil. $	3-quarter average	479	434	10.3
	mil. $	3-quarter average	800	710	12.7
	mil. $	3-quarter average	980	890	9.9
	mil. $	3-quarter average	730	660	10.6
	mil. $	3-quarter average	400	339	18.0
	mil. $	3-quarter average	600	541	10.9
	mil. $	3-quarter average	1,274	1,142	11.6
	mil. $	3-quarter average	243	214	13.4
	mil. $	3-quarter average	637	560	13.8
	mil. $	3-quarter average	93	89	4.5
	mil. $	3-quarter average	111	110	0.9
	mil. $	3-quarter average	1,100	961	14.4
	mil. $	3-quarter average	1,164	1,000	16.4
PER CAPITA PERSONAL INCOME					
	dollars	total	n.a.	8,417	
	thous.				
	billion	total	n.a.	n.a.	
	billion	total	n.a.	n.a.	
	billion	total	n.a.	n.a.	
	billion	total	n.a.	n.a.	

p=preliminary
n.a.=not available
[1]Immigration statistics include only those entering the Hawaiian port and do not include Saipan, Guam.
[2]Includes wage and salary disbursements, proprietors' income and other labor income.
[3]The latest available county data are for 1978: Honolulu, $8,940; Maui, $8,395; Hawaii, $6,200; Kauai, $6,[illegible]
**Total personal income and all components are seasonally adjusted at annual rates.
Note: Detail may not add to totals due to rounding. Percent changes compute from unrounded data.

finance - hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	February 29	3,958.6	1.0	14.5
[illegible]	mil. $	February 29	3,255.5	0.7	15.2
Maui County	mil. $	February 29	260.3	1.7	7.0
Hawaii County	mil. $	February 29	308.9	2.6	16.2
Kauai County	mil. $	February 29	134.0	1.6	7.6
BANK DEMAND DEPOSITS					
STATE	mil. $	February 29	1,258.6	2.1	8.2
[illegible]	mil. $	February 29	1,051.6	2.0	7.9
Maui County	mil. $	February 29	86.9	2.3	5.0
Hawaii County	mil. $	February 29	86.6	3.9	14.9
Kauai County	mil. $	February 29	33.5	1.1	7.0
[illegible]					
STATE	mil. $	February	6,878.1	-3.3	35.2
[illegible]	mil. $	February	6,340.8	-2.6	37.0
Maui County	mil. $	February	233.4	-10.4	8.6
Hawaii County	mil. $	February	217.2	11.6	26.8
Kauai County	mil. $	February	86.6	-9.2	20.8
[illegible]					
STATE	annual rate	February	66.28	1.9	25.2
[illegible]	annual rate	February	73.08	3.0	27.1
[illegible]	annual rate	February	32.59	-7.9	3.9
[illegible]	annual rate	February	30.69	-9.0	10.4
[illegible]	annual rate	February	31.21	-4.4	11.3
TAX COLLECTIONS					
[illegible]	thous. $	February	161,125	84.4	12.6
	thous. $	Jan.-Feb.	248,512		8.3
[illegible]	thous. $	February	137,561	81.6	13.3
	thous. $	Jan.-Feb.	213,312		8.8
[illegible]	thous. $	February	7,626	58.9	9.7
	thous. $	Jan.-Feb.	12,425		6.1
[illegible]	thous. $	February	10,487	122.6	5.2
	thous. $	Jan.-Feb.	15,197		2.6
[illegible]	thous. $	February	5,451	156.4	13.7
	thous. $	Jan.-Feb.	7,578		11.4

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
[illegible]	thous.	February	406.9p	0.1	2.3
[illegible]	thous.	February	388.2p	1.0	4.3
[illegible]	thous.	February	18.6p	-14.8	-26.9
[illegible]	percent	February	4.6p	-14.8	-28.1
[illegible]	thous.	February	320.1p	0.1	2.3
[illegible]	thous.	February	306.2p	0.9	4.2
[illegible]	thous.	February	13.9p	-14.7	-27.9
[illegible]	percent	February	4.4p	-13.7	-29.0
[illegible]	thous.	February	33.4p	-0.4	3.3
[illegible]	thous.	February	31.6p	1.4	5.9
[illegible]	thous.	February	1.8p	21.7	26.5
[illegible]	percent	February	5.3p	23.2	30.3
[illegible]	thous.	February	35.6p	1.4	1.9
[illegible]	thous.	February	33.3p	1.1	3.6
[illegible]	thous.	February	2.2p	7.1	-18.2
[illegible]	percent	February	6.3p	6.8	19.2
[illegible]	thous.	February	17.8p	-0.8	2.9
[illegible]	thous.	February	17.1p	2.1	4.6
[illegible]	thous.	February	0.7p	-43.5	-31.6
[illegible]	percent	February	3.8p	-41.5	-29.6
JOB COUNT BY INDUSTRY					
[illegible]	thous.	February	446.4p	1.1	4.0
[illegible]	thous.	February	9.0p	0.6	2.2
[illegible]	thous.	February	4.3p	2.4	-1.1
[illegible]	thous.	February	16.3p	1.2	-1.5
[illegible]	thous.	February	4.6p	3.2	0
[illegible]	thous.	February	11.7p	0.4	2.1
[illegible]	thous.	February	3.3p	1.6	-5.8
[illegible]	thous.	February	7.5p	0	23.0
[illegible]	thous.	February	23.1p	4.1	3.1
[illegible]	thous.	February	21.6	0.5	1.4
[illegible]	thous.	February	6.9	0	3.8
[illegible]	thous.	February	2.5	0	0
[illegible]	thous.	February	87.9	-0.1	4.0
[illegible]	thous.	February	18.9	-0.3	4.7
[illegible]	thous.	February	30.9	0.5	3.7
[illegible]	thous.	February	26.0	0.4	4.0
[illegible]	thous.	February	16.4	-0.9	4.1
[illegible]	thous.	February	4.9	2.1	9.0
[illegible]	thous.	February	3.2	0	3.3
[illegible]	thous.	February	1.7	6.5	-8.3
[illegible]	thous.	February	79.1p	1.5	12.0
[illegible]	thous.	February	29.3p	-0.7	-0.8
[illegible]	thous.	February	10.7p	-1.4	1.4
[illegible]	thous.	February	18.6p	-0.3	-2.1
[illegible]	thous.	February	45.6p	3.8	0.2
[illegible]	thous.	February	13.2p	3.9	-1.1
HOURS AND EARNINGS BY INDUSTRY					
[illegible]	dollars	February	11.49p	-1.0	7.2
[illegible]	hours	February	38.0p	38.2	2.2
[illegible]	dollars	February	7.09p	5.8	10.3
[illegible]	hours	February	39.2p	4.3	5.7
[illegible]	dollars	February	9.01p	4.7	8.2
[illegible]	hours	February	45.2p	1.5	-0.4
[illegible]	dollars	February	5.51p	0.5	8.9
[illegible]	hours	February	33.2p	0.6	0.6
[illegible]	dollars	February	182.62p	3.2	8.6
[illegible]	dollars	February	5.47p	2.3	8.1
[illegible]	hours	February	31.8p	1.5	-2.5
[illegible]	dollars	January	5.23	-0.6	8.5
[illegible]	hours	January	33.2	-12.9	-11.0

n.c.=not comparable
p=preliminary
[1]Series includes agricultural employment during January survey week.
[2]The most recent estimate of agricultural jobs [illegible] January, April, July, and October of each year. [illegible]
[3]Includes some office and supervisory workers.

dation of Employee Benefit Plans 26th annual conference slated for November and expected to brin[g] 14,000 attendees. With rather a bleak outlook generally for westbound travel to Hawaii this year, a lot of convention business is just wha[t] we need to help fill the gap. Unless the year brings a lot of cancellations, 1980 promises to be Hawaii's biggest year for meetings yet, topping the record of 261,045 attendees in 1975.

- - - - - - - - - -

A preliminary esti[-]mate of Hawaii's 1979 total personal income (TPI) recently released to us by the U.S. Department of Commerce shows an increase of 13.1% for the year to $8,474 million. In light of Hawaii's 11.1% inflation rate and 1.4% employment gain, and also a 17% increase in withholdings for State income taxes, the 13.1% TPI increase makes much better sense than did the 10.8% originally reported for the first three quarters, and translates into some real income growth for Hawaii residents.

- - - - - - - - - -

Washington's move to cool the economy last October by hiking interest rates and making money more costly lifted the prim[e] rate from 13.5% into the 16% range in February. The high interest rates, however, an[d] talk of impending recession have yet to faze Hawaii's private building sector. Quite the contrary, the pace so far in 1980 has been breathtaking with permits for private construction in the first two months of the year totaling $180 million, 77% ahead of the same period in 1979. The big bulge came in February with permit issuance for a number of large projects: a 276-unit condominium at Kihei, Maui valued at $24.1 million; a 548-room hotel on the Big Island at Waikoloa valued at $20 million; and a 32-unit condominium for the Princeville resort on Kauai estimated to cost $2.56 million. On Oahu, Grosvenor International received a permit for the second tower of their downtown office complex with construction estimated at $9.8 million, and permits were granted for three condominium projects totaling 336 units and estimated to cost $16.3 million. The Administration's latest and most drastic steps to limit the expansion of credit that were taken in March and that have propelled the prime rate forward to its present 20% may soon begin taking their toll on Hawaii's private building sector as it appears high money costs already have on public construction locally. Through March $41.8 million in government contracts were awarded, 64% below the same period last year and the lowest first quarter total for any year since 1972. Declines occurred in all counties and at all levels of government.

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
[illegible]	[illegible]	February	9,744	10.1	0.6
[illegible]	[illegible]	February	5,477	30.7	11.1
[illegible]	[illegible]	February	441	19.4	11.4
[illegible]	thous. $	February	3,369	18.5	9.4
PUBLIC ASSISTANCE					
[illegible]	[illegible]	December	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	4th Qtr.	N.A.		
[illegible]	[illegible]	December	48,462	[illegible]	[illegible]
[illegible]	[illegible]	January	[illegible]	[illegible]	[illegible]
[illegible]	thous. $	December	[illegible]	[illegible]	[illegible]
[illegible]	thous. $	4th Qtr.	[illegible]	[illegible]	[illegible]
[illegible]	thous. $	December	[illegible]	[illegible]	[illegible]
[illegible]	thous. $	January	[illegible]	[illegible]	[illegible]

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
[illegible]	[illegible]	July 1, 1979	[illegible]		[illegible]
PERSONAL INCOME					
[illegible]	mil. $	3rd Qtr. 1979	[illegible]	[illegible]	[illegible]
PER CAPITA PERSONAL INCOME					
[illegible]	[illegible]	1979	[illegible]		[illegible]

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
[illegible]	[illegible]	January	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	4th Qtr. '79	2,456.9	[illegible]	[illegible]
[illegible]	[illegible]	4th Qtr. '79	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]
BANKING AND CREDIT					
[illegible]	[illegible]	December	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	December	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	January	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	March	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	January	[illegible]	[illegible]	[illegible]
CONSTRUCTION					
[illegible]	[illegible]	January	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	November	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	November	[illegible]	[illegible]	[illegible]
EMPLOYMENT					
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]
PRICES					
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	February	[illegible]	[illegible]	[illegible]

Economic Indicators

ISSN 0015-2757

A Monthly Report by the Research Division *Dr. Thomas K. Hitch, Senior Vice President* *Shurei Hirozawa, Vice President* *April, 1980*

Hawaii in 1979—A Recap

Using today's rubber dollar as the measuring stick, the Hawaiian economy closed out the decade of the 1970s on a remarkably vigorous upbeat note, but unfortunately much of the gain was due to inflation. Nonetheless there was substantial real growth in many areas despite the 11.1 percent inflation rate, and overall the year was one of the best since the early 1970s.

Tourism started out 1979 with very rapid increases in the first quarter and although it closed the year on a declining note, the average for the year was very good. And most of the other sectors of the economy performed well. As a result, gross business receipts for 1979 rose an estimated 22 percent and total personal income gained 13.1 percent. One favorable result of the strong economy was a substantial increase in jobs last year to an average 437,050. The gain of 19,400 jobs over 1978 was distributed over numerous activities in the private sector, but 82 percent of this increase was concentrated in the service, retailing, and construction industries. Public sector jobs in total remained virtually unchanged.

The gains that provided the kick to last year's expansion were generated primarily by tourism and construction (as tourism and construction go, so goes the Hawaiian economy) and to a lesser extent by sugar and pineapple. Construction registered one of the best gains of this decade, pulling itself out of the abyss to which it had sunk in 1977-1978 when output fell to the lowest level in ten years. Although tourism provided less impetus to economic growth last year than in 1978, it remained the biggest growth contributor simply because of the immense size of the industry. Much of the growth in construction, retailing, and services is a direct spin-off from the growth in tourism. Sugar and pineapple were two of the most rapidly growing industries in terms of revenues. But their contributions to Hawaii's overall economic growth were considerably less because of the relatively small size of these two industries.

The sugar industry had gross revenues of $332 million in 1979, an increase of 17.7 percent over the 1978 gross of $282 million. This is only the third time that revenues have risen above $300 million. Prices for raw sugar so far this year have ranged higher than last year's and the outlook is encouraging.

Pineapple revenues grew substantially last year, passing the $200 million mark for the first time, up from revenues of $168 million in 1978. Our estimate for 1979, based on incomplete data, is around $205 million. Sharply higher costs of doing business forced pineapple prices upward, so that a good portion of the higher revenues is inflation-based. Increased revenues can also be traced to the fact that the tough foreign competition expected last year was not that tough as foreign growers had their problems.

Construction's performance in 1979 was the best in the last three years with output at a level similar to that experienced in 1972 and 1976. The value of construction put in place topped $1.3 billion, 19.7 percent better than the $1.09 billion of 1978. But with construction costs locally up 9.5 percent last year the real gain works out to 10 percent. The rebound was achieved by substantial gains in all areas in all counties except Maui where the building moratorium held construction down. Building permits totaling $879 million for the year gained 31 percent. Kauai better than doubled its permit value, Hawaii had an increase of 51 percent, and Oahu was up 36.6 percent. The three counties also showed significant increases in contracts awarded for public works projects which statewide climbed 41 percent to $441 million.

After a powerful 14.7 percent surge in the first quarter, visitor arrivals rose a paltry 2.3 percent relative to 1978 as problems beset the airlines. Arrivals rebounded in the summer quarter, rising 12 percent, but fuel costs boosted fares substantially reducing the fourth quarter increase to 2.4 percent. Visitors numbered 3,960,531 last year. The 7.9 percent increase, however, was more than was forecast a year earlier. Despite the slower growth in numbers of visitors, the average length of stay climbed to 10.4 days last year, the best average recorded during the decade. Visitor expenditures are estimated at $2.6 billion, up from $2.2 billion in 1978. While visitor arrivals were down 8 percent in the first two months of 1980 (relative to the hefty first quarter of 1979) we look for some improvement in the second quarter of 1980, spurred by the recent proliferation of discount fares. However, many of these bargain air fares are tentatively set to expire in June. Therefore the outlook for the rest of the year is a bit murkier. It will depend on how low the airlines are able to keep fares in light of spiraling jet fuel prices, and the severity and timing of the long-awaited national recession. One plus is that conventions are expected to be much more helpful this year than last.

Defense expenditures in 1979 amounted to $1.2 billion, a 5.4 percent increase over 1978. The smaller than usual gain was largely due to a reduction in army personnel.

Diversified agriculture is expected to report gains in 1979 of around $20 million, with farm receipts totaling $154 million. Gains were made in almost all major crops and livestock, with beef production leading the way with a $7 million increase to $131 million. Production was down but the high prices prevailing for beef in 1979 brought producers record revenues. Even fruit and vegetables showed revenue gains despite the rainstorms and hurricane-force winds early in the year that damaged trees and crops. Papaya production was down by about a third, but higher prices also resulted in higher revenues than in 1978 when output was a record. Macadamia nuts and flowers-nursery products also registered substantial revenue gains.

First Hawaiian Bank

Established 1858 • Member of F.D.I.C.

business activity - hawaii

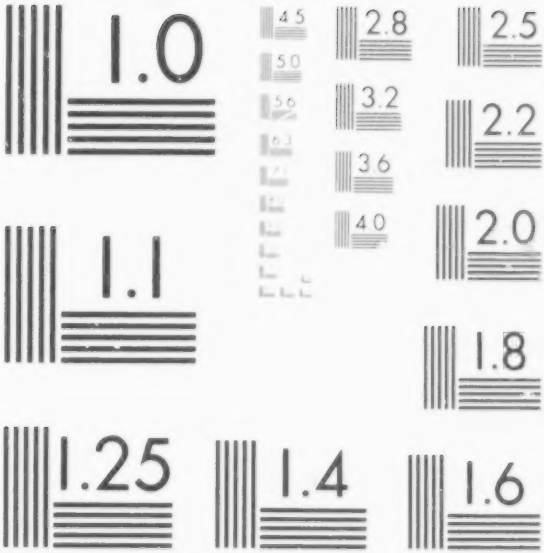
series	unit	period	number	percent change	
TOURISM					
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	Jan.-Feb.	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	Jan.-Feb.	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	Jan.-Feb.	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	Jan.-Feb.	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	Jan.-Feb.	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	Jan.-Feb.	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	Jan.-Feb.	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
DEFENSE EXPENDITURES					
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
SUGAR					
	[illegible]	March	[illegible]		[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
PINEAPPLE SHIPMENTS					
	[illegible]	Jan.-Feb.	[illegible]		[illegible]
	[illegible]	Jan.-Feb.	[illegible]		[illegible]
HONOLULU PRICES					
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
PUBLIC UTILITIES					
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]
	[illegible]	February	[illegible]	[illegible]	[illegible]

Just in case you missed the NEW ad on the back cover, copies of our latest publication entitled Hawaii's Economic Indicators: Sources, Definitions, and Trends are now available free upon request from the Research Division or may be picked up at any of our branches. The book contains a historical rundown of all our statistical indicators on an annual basis back to 1960 and on a monthly basis for the last four years. The book also contains definitions of what the series contain, how they may be used, who originates them, and how they are obtained. The book should provide a valuable reference tool for anyone who uses these data.

business activity-hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
	[illegible]	October	111.7	-16.2	22.8
	[illegible]	Jan.-Oct.	1,109.6		24.4
PRIVATE PERMITS AUTHORIZED					
	[illegible]	Jan.-Feb.	100,995		52.8
	[illegible]	Jan.-Feb.	38,714		20.7
	[illegible]	Jan.-Feb.	34,922		160.0
	[illegible]	Jan.-Feb.	13,285		-16.7
	[illegible]	Jan.-Feb.	14,073		203.8
	[illegible]	Jan.-Feb.	725		26.0
	[illegible]	Jan.-Feb.	312		37.8
	[illegible]	Jan.-Feb.	135		-19.6
	[illegible]	Jan.-Feb.	210		7.5
	[illegible]	Jan.-Feb.	68		18.1
	[illegible]	Jan.-Feb.	979		111.4
	[illegible]	Jan.-Feb.	352		164.2
	[illegible]	Jan.-Feb.	386		82.9
	[illegible]	Jan.-Feb.	81		59.3
	[illegible]	Jan.-Feb.	160		*
	[illegible]	Jan.-Feb.	78,743		122.3
	[illegible]	Jan.-Feb.	37,015		27.2
	[illegible]	Jan.-Feb.	3,215		19.6
	[illegible]	Jan.-Feb.	22,350		448.3
	[illegible]	Jan.-Feb.	14,662		*
PUBLIC CONTRACTS AWARDED					
	[illegible]	Jan.-Mar.	41,842		63.8
	[illegible]	Jan.-Mar.	11,552		51.4
	[illegible]	Jan.-Mar.	19,821		69.3
	[illegible]	Jan.-Mar.	10,469		66.2
	[illegible]	Jan.-Mar.	34,174		61.6
	[illegible]	Jan.-Mar.	1,226		30.6
	[illegible]	Jan.-Mar.	5,497		14.1
	[illegible]	Jan.-Mar.	235		76.3
HONOLULU CONSTRUCTION COST INDEXES					
	[illegible]	March	286.3	0.9	7.6
	[illegible]	March	287.8	1.9	10.9
BUSINESS SALES					
	[illegible]	October	1,419.2	15.1	16.2
	[illegible]	Jan.-Oct.	14,448.8		21.3
	[illegible]	October	57.4	6.5	36.3
	[illegible]	Jan.-Oct.	486.1		23.2
	[illegible]	October	12.6	12.1	3.5
	[illegible]	Jan.-Oct.	130.6		3.5
	[illegible]	October	481.1	11.6	15.6
	[illegible]	Jan.-Oct.	4,817.0		15.5
	[illegible]	October	392.7	18.0	24.2
	[illegible]	Jan.-Oct.	4,060.6		34.5
	[illegible]	October	246.2	20.9	4.5
	[illegible]	Jan.-Oct.	1,109.6		24.4

The 1980 Annual Convention Bulletin recently released by the Hawaii Visitors Bureau shows a heavier convention schedule this year than last. Current bookings for 1980 total 281,100, up significantly from the 193,450 that had been projected for 1979. Attendance of 181,369 in 1979 fell somewhat below the expected number, as was the case in the two preceding years when fewer came than were initially anticipated. The largest conventions scheduled for 1980 are the American Bar Association annual meeting to be held the first week in August with 20,000 expected and the International Foun-



MICROCOPY RESOLUTION TEST CHART

NATIONAL BUREAU OF STANDARDS-1963-A

Economic Indicators

ISSN 0015-2757

A Monthly Report by the Research Division Dr. Thomas K. Hitch, Senior Vice President Shurei Hirozawa, Vice President May, 1980

125/80
B3500-1

Sugar Industry Prospects in the 1980s

After being buffeted about in the precarious free market for several years, the domestic sugar industry is enjoying some stability this year, thanks to an improved demand-supply situation. For the Hawaiian sugar industry, the outlook has improved markedly. Not only does the ratification by Congress of the International Sugar Agreement promise more stable marketing of world sugar production, but escalating oil prices are increasing the potential for revenues from bagasse- and molasses-produced energy.

When Congress let the Sugar Act die in 1974, the domestic industry lost the stability it had enjoyed for 40 years during which it escaped the sharp edges of the feast-and-famine cycle. Soon after the act died, prices rose to a pinnacle of 64.5 cents a pound on reports of a world shortage. But famine inevitably followed as the new free market attracted a voluminous foreign surplus to the U.S. Prices dipped below profitable levels in late 1975 and stayed there until late 1979. Then forecasts of production falling below consumption in the current crop year sent prices inching up past the 15-cent break-even level. Through April 1980 prices averaged 22 cents, ranging from 17½ cents to 28½ cents.

In addition to improving prices, the domestic market is going through a change that has worked to Hawaii's advantage. Tremendous energy cost increases have had such an adverse impact on beet sugar producers that many in the western states have been forced out of business. This lessens competition for Hawaii in the West, normally a sugar surplus area. Some Mainland cane growers are also going out of business, unable to cope with the rising costs. In Hawaii, the industry is not affected as much because it generates its own energy by burning bagasse, the residue from the cane after the juice is squeezed out. Lower Mainland production, lower foreign imports, and larger inroads by high fructose corn syrup will limit sugar deliveries to the U.S. market to 10.6 million tons this year, about 25 percent lower than in the past several years. But Hawaii will deliver more sugar this year than in any of the past five years.

The International Sugar Agreement (ISA) should—over the long run—provide better control of the flow of sugar in world commerce. The old Sugar Act limited foreign imports into the U.S. by setting quotas. The ISA sets quotas for exporting countries in the world sugar trade. When world sugar prices are depressed by surplus supplies, exporting nations must stockpile sugar according to a formula, and when sugar prices are high due to shortages the drawing down of stockpiles is triggered to keep prices from escalating. This program should eventually make a major contribution to stabilizing world sugar prices and production.

In addition to the brighter outlook for sugar as a commodity, the local sugar industry is beginning to develop another major product—energy—from bagasse and molasses, by-products of relatively low value in the past. From the beginning, sugar plantations have generated energy for their operations by burning bagasse. The small amount of excess power was sold to the utility companies at minimal rates, more as a convenience to the plantations. And molasses was used as cattle feed.

Escalating fuel oil prices have greatly increased the energy-related value of bagasse and molasses. Sugar plantations have sufficient bagasse production to be practically self-sufficient in energy, although many of them supplement their needs with hydroelectric power (which accounts for about 10 percent of the energy generated by the sugar plantations). However, only part of the energy potential of bagasse has been utilized over the years as it has been burned containing almost 50 percent moisture. But that was all the power the plantations needed, and the utilities could generate their own energy cheaply using oil. Today, with oil prices sky-high, it makes economic sense to dry the bagasse further to maximize the energy potential, and also to install more efficient boilers to further increase energy production. Heavy capital investment is required, but the returns should pay off. Plantations can further increase energy production by cultivating other biomass sources, such as wood chips from tree farms and municipal refuse, and also by expanding their hydroelectric generating potential.

Plantations in the past had little bargaining power for selling their excess power at reasonable rates because only the public utility company, as a monopoly, has the right to supply the general public. After the energy crisis, however, Congress recognized the importance of developing alternate energy sources and passed the Public Utility Regulatory Policies Act of 1978 (PURPA). This law provides that nonutility producers of power be paid rates that more nearly reflect what it costs the utilities to generate. This assures the plantations of a better return for their excess power.

Molasses can be processed into ethanol, which can be blended with gasoline to make gasohol. Ethanol production will start up soon at HC&S in Puunene, Maui, for alcoholic beverage products and gasohol experimentation. There are three other proposals for ethanol production in the state. Ethanol production is not thought to be economically feasible right now, but further increases in fuel oil prices, plus research now going on to make ethanol production more efficient, will raise the value of molasses, which has already quadrupled in price in the last few years.

With better prospects in the commodity market and improving economics in the production of energy, the sugar industry is expected to make a bigger contribution to the state's economy in the 1980s than it did in the 1970s.

First Hawaiian Bank
Established 1858 • Member of F.D.I.C.

business activity-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	March	357,298p	16.9	−1.1
	number	Jan.-Mar.	999,826p	.....	−5.8
Westbound	number	March	291,684p	16.4	−1.4
	number	Jan.-Mar.	792,362p	.....	−9.1
Eastbound	number	March	65,614p	19.6	0
	number	Jan.-Mar.	207,464p	.....	9.9
AVERAGE DAILY VISITOR CENSUS[1]	number	March	103,069p	0.4	−1.7
AVERAGE LENGTH OF STAY[1]	no. of days	March	10.3	−7.2	−2.8
MEETINGS ATTENDANCE	number	Jan.-Mar.	70,723p	.....	43.7
ORGANIZED GROUP TOURS	number	March	74,898p	8.0	−26.6
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	March	127,505p	6.7	−7.1
	number	Jan.-Mar.	359,420p	.....	−10.1
Hawaii	number	March	71,203p	2.5	−15.1
	number	Jan.-Mar.	206,164p	.....	−17.9
Kauai	number	March	71,268p	9.3	−7.0
	number	Jan.-Mar.	192,859p	.....	−14.3
VISITOR ACCOMMODATIONS					
STATE	number	February	54,246	4.8	8.9
Oahu	number	February	34,334	7.0	14.2
Waikiki	number	February	30,443	8.2	15.6
Maui (includes 11 on Lanai)	number	February	9,144	1.0	2.1
Molokai	number	February	557	0	7.1
Hawaii	number	February	5,889	−1.5	−3.3
Kauai	number	February	4,322	5.2	2.9
HOTEL OCCUPANCY					
STATE	percent	March	78.1	−1.5	−11.5
Oahu	percent	March	79.2	−1.6	−12.7
Maui	percent	March	85.4	−3.6	−6.3
Hawaii	percent	March	62.5	−6.3	−16.0
Kauai	percent	March	79.5	1.9	−10.1
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	4th Qtr.	309.8	−4.3	n.c.
Military Payroll	mil. $	4th Qtr.	131.4	5.3	n.c.
Civilian Payroll	mil. $	4th Qtr.	91.7	−10.9	n.c.
Local Purchases	mil. $	4th Qtr.	86.7	−9.7	n.c.
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan.-Mar. 29	68.5	.....	−14.9
N. Y. RAW SUGAR PRICE	$/ton	March	424.05	−15.1	50.8
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-Nov.	156,520	.....	26.4
FRESH	thous. lbs	Jan.-Mar.	47,747	.....	−1.6
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	February[3]	221.3	12.9	2.7
All Urban Consumers, All items	1967=100	February[3]	220.9	12.6	2.8
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	March	553.7	6.1	2.2
GAS SALES	thous. therms	March	4,565	−3.0	−1.2
TELEPHONES IN SERVICE	thous.	March	694.5	0.4	4.2

n.c.=*not comparable*
p=*preliminary*
[1]*Estimated Westbound*
[2]*Gross taxable income valued at time of shipment.*
[3]*Compared to December 1979.*

Oahu Car Sales

Cardinal Mailing Services is once again tabulating information on Oahu new car sales. Reporting was interrupted last summer when suit was brought against the City and County of Honolulu charging release of individual car registrations to Cardinal Mailing as a violation of the Privacy Laws. The matter was finally resolved in the 1980 legislative session when a bill was passed permitting the County to resume reporting to Cardinal so long as the names of registered car owners are withheld. The information is now processed by the County first before being sent to Cardinal Mailing. Unfortunately, the new procedure has resulted in the lumping of passenger car and light truck sales.

The statistical blackout locally has been particularly distressing in hindering analysis of the local market at a

business activity-hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	November	116.4	4.2	22.4
	mil. $	Jan.-Nov.	1,226.1	.....	24.2
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Mar.	135,514	.....	24.7
C&C of Honolulu	thous. $	Jan.-Mar.	51,584	.....	−3.6
Maui County	thous. $	Jan.-Mar.	46,407	.....	92.8
Hawaii County	thous. $	Jan.-Mar.	18,404	.....	−20.9
Kauai County	thous. $	Jan.-Mar.	19,479	.....	147.7
SINGLE FAMILY UNITS					
STATE	number	Jan.-Mar.	1,105	.....	−23.5
C&C of Honolulu	number	Jan.-Mar.	478	.....	−33.6
Maui County	number	Jan.-Mar.	215	.....	−3.2
Hawaii County	number	Jan.-Mar.	315	.....	−12.3
Kauai County	number	Jan.-Mar.	97	.....	−32.2
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Mar.	1,265	.....	63.9
C&C of Honolulu	number	Jan.-Mar.	412	.....	114.6
Maui County	number	Jan.-Mar.	536	.....	93.5
Hawaii County	number	Jan.-Mar.	83	.....	−72.6
Kauai County	number	Jan.-Mar.	234	.....	+
NONRESIDENTIAL					
STATE	thous. $	Jan.-Mar.	102,490	.....	95.8
C&C of Honolulu	thous. $	Jan.-Mar.	57,720	.....	33.5
Maui County	thous. $	Jan.-Mar.	5,183	.....	68.8
Hawaii County	thous. $	Jan.-Mar.	24,719	.....	447.4
Kauai County	thous. $	Jan.-Mar.	14,868	.....	893.4
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-Apr.	50,927	.....	−64.9
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-Apr.	15,246	.....	−53.1
STATE	thous. $	Jan.-Apr.	23,188	.....	−67.8
COUNTY	thous. $	Jan.-Apr.	12,493	.....	−69.2
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-Apr.	42,056	.....	−63.8
Maui County	thous. $	Jan.-Apr.	2,531	.....	−82.6
Hawaii County	thous. $	Jan.-Apr.	5,533	.....	−49.5
Kauai County	thous. $	Jan.-Apr.	807	.....	−76.5
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	April	280.6	−2.0	7.1
HIGH-RISE	1967=100	April	285.4	−0.8	9.1
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	November	1,340.9	−5.5	21.4
	mil. $	Jan.-Nov.	15,789.7	.....	23.1
DIVERSIFIED MANUFACTURING	mil. $	November	38.4	−33.2	−5.1
	mil. $	Jan.-Nov.	524.4	.....	21.1
DIVERSIFIED AGRICULTURE	mil. $	November	8.7	−31.2	−26.4
	mil. $	Jan.-Nov.	139.3	.....	0.9
RETAILING	mil. $	November	454.5	−5.7	21.4
	mil. $	Jan.-Nov.	5,271.4	.....	16.0
WHOLESALING	mil. $	November	420.5	7.1	36.3
	mil. $	Jan.-Nov.	4,481.1	.....	34.7
SERVICES	mil. $	November	229.4	−6.8	14.8
	mil. $	Jan.-Nov.	3,003.8	.....	16.7
OAHU NEW CAR AND PASSENGER TRUCK SALES	number	April	1,929	−28.4	−24.2

time when the industry nationally is in such a depressed state. Nationwide car and light truck sales combined fell 8.8% last year and were down 13.8% in the first quarter of this year. The total through April, excluding trucks, was down 12.7%. The resumption of reporting, however, shows a much milder slowdown for the industry locally with car and truck sales off 1.1% last year and 4.5% in the first 4 months of 1980.

Although Hawaii's total car market is not as depressed as the industry is nationally, the shift away from large, domestic makes to small, more fuel-efficient cars that has sent sales of American-made cars reeling and bolstered import sales is even more dramatic for Hawaii. Through April import sales outpaced Jan.-April 1979 sales by 31% while sales of domestic makes plunged 32%. (Hawaii figures include light-duty

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	March 31	4,045.8	2.2	11.8
Honolulu County	mil. $	March 31	3,320.1	2.0	10.4
Maui County	mil. $	March 31	268.5	3.1	16.3
Hawaii County	mil. $	March 31	316.3	2.4	21.8
Kauai County	mil. $	March 31	141.0	5.2	16.7
BANK DEMAND DEPOSITS					
STATE	mil. $	March 31	1,268.9	0.8	7.9
Honolulu County	mil. $	March 31	1,056.3	0.4	6.4
Maui County	mil. $	March 31	91.8	5.6	15.2
Hawaii County	mil. $	March 31	85.9	-0.7	17.7
Kauai County	mil. $	March 31	34.8	3.9	14.2
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	March	7,017.1	2.0	16.7
Honolulu County	mil. $	March	6,425.0	1.3	16.9
Maui County	mil. $	March	256.4	9.8	7.7
Hawaii County	mil. $	March	241.9	11.3	22.3
Kauai County	mil. $	March	93.8	8.3	20.5
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	March	66.63	0.5	8.1
Honolulu County	annual rate	March	73.16	0.1	9.1
Maui County	annual rate	March	34.43	5.6	2.1
Hawaii County	annual rate	March	33.65	9.6	5.2
Kauai County	annual rate	March	32.94	5.5	8.9
TAX COLLECTIONS					
TAX COLLECTIONS—STATE	thous. $	March	108,480	32.7	17.8
	thous. $	Jan.-Mar.	356,992		11.0
Honolulu County	thous. $	March	92,632	32.7	17.7
	thous. $	Jan.-Mar.	305,945		11.3
Maui County	thous. $	March	5,640	26.0	5.5
	thous. $	Jan.-Mar.	18,066		5.9
Hawaii County	thous. $	March	7,846	25.2	24.0
	thous. $	Jan.-Mar.	23,043		9.1
Kauai County	thous. $	March	2,360	56.7	36.1
	thous. $	Jan.-Mar.	9,938		-16.4

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	March	406.8p	0	2.1
Employment[1]	thous.	March	388.3p	0	4.1
Unemployment	thous.	March	18.5p	-0.8	-27.2
Unemployment Rate	percent	March	4.5p	-2.2	-29.7
C & C OF HONOLULU					
Civilian Labor Force	thous.	March	319.8p	-0.1	1.7
Employment	thous.	March	305.8p	-0.1	3.7
Unemployment	thous.	March	14.0p	0	-28.8
Unemployment Rate	percent	March	4.4p	0	-29.0
MAUI COUNTY					
Civilian Labor Force	thous.	March	33.6p	0.6	6.2
Employment	thous.	March	32.0p	1.3	7.7
Unemployment	thous.	March	1.6p	13.9	16.2
Unemployment Rate	percent	March	4.6p	13.2	-22.0
HAWAII COUNTY					
Civilian Labor Force	thous.	March	35.6p	0	2.3
Employment	thous.	March	33.3p	-0.1	4.4
Unemployment	thous.	March	2.3p	2.2	-20.7
Unemployment Rate	percent	March	6.5p	3.2	-22.6
KAUAI COUNTY					
Civilian Labor Force	thous.	March	17.8p	0	1.7
Employment	thous.	March	17.2p	0.3	3.9
Unemployment	thous.	March	0.7p	7.7	-30.0
Unemployment Rate	percent	March	3.8p	0	-33.3
JOB COUNT BY INDUSTRY					
TOTAL WAGE & SALARY	thous.	March	451.0p	1.1	4.3
SUGAR (Growing and Proc.)	thous.	March	8.7p	-2.8	-2.2
PINEAPPLE (Growing and Proc.)	thous.	March	5.1p	17.4	12.2
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	March	16.0p	-2.1	-3.3
Durable Goods	thous.	March	4.5p	-2.2	0
Nondurable Goods	thous.	March	11.5p	-1.7	-3.0
Apparel and Textiles	thous.	March	3.3p	1.5	-2.9
DIVERSIFIED AGRICULTURE (excluding sugar and pineapple but including agricultural self employed)	thous.	March[2]	7.5p	0	23.0
CONTRACT CONSTRUCTION	thous.	March	23.4p	1.1	2.2
TRANSPORTATION	thous.	March	21.3p	1.2	0.2
COMMUNICATION	thous.	March	6.9p	0	3.0
UTILITIES	thous.	March	2.5p	0	0
RETAIL TRADE	thous.	March	88.2p	0.5	3.6
WHOLESALE TRADE	thous.	March	18.9p	-0.3	4.7
FINANCE, INSURANCE AND REAL ESTATE	thous.	March	31.1p	0.6	3.5
HOTEL SERVICES—STATE	thous.	March	26.3p	1.0	4.6
Honolulu County	thous.	March	16.4p	0	3.8
Maui County	thous.	March	5.0p	3.1	11.1
Hawaii County	thous.	March	3.3p	3.2	6.6
Kauai County	thous.	March	1.7p	3.0	-5.6
OTHER SERVICES	thous.	March	78.4p	0.7	9.0
FEDERAL GOVERNMENT	thous.	March	29.4p	0.3	-0.2
Civilian Agencies	thous.	March	10.7p	0	1.4
Defense Department	thous.	March	18.7p	0.5	-1.3
STATE GOVERNMENT	thous.	March	48.8p	7.0	5.7
COUNTY GOVERNMENT	thous.	March	13.6p	3.0	3.0
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	March	11.72p	2.0	6.8
Average Weekly Hours	hours	March	38.3p	0.8	-1.3
MANUFACTURING					
Average Hourly Earnings	dollars	March	7.03p	0.8	9.7
Average Weekly Hours	hours	March	37.4p	-4.6	-4.1
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	March	9.01p	0	8.3
Average Weekly Hours	hours	March	45.2p	0	1.1
TRADE					
Average Hourly Earnings	dollars	March	5.54p	0.5	7.8
Average Weekly Hours	hours	March	33.1p	-0.3	-0.6
FINANCE					
Average Weekly Earnings	dollars	March	190.08p	4.1	14.1
HOTELS					
Average Hourly Earnings	dollars	March	5.49p	0.4	6.2
Average Weekly Hours	hours	March	29.8p	-6.3	-9.7
HIRED FARM WORKERS[3]					
Average Hourly Earnings	dollars	January	5.23	-0.6	8.5
Average Weekly Hours	hours	January	33.2	-12.9	-11.0

n.c.=not comparable

p=preliminary

[1]Series includes agricultural employment during January survey week.

[2]The most recent estimate of agricultural jobs is included in the total job count even though the period may differ. Agricultural employment is only surveyed quarterly, in January, April, July, and October of each year. These dates apply to the field portions of sugar and pineapple jobs, too.

[3]Includes some office and supervisory workers.

trucks.) Nationally domestics fell 19% while imports rose 11%. Imports comprise 27% of the U.S. new car market thus far in 1980, up from 21% the year before. Imported cars have a larger share of Hawaii's market having reached 28% in 1967. The import share has increased fairly steadily since then and in the first 4 months of 1980 stood at 59%, up from 43% the year before. The market share for Japanese makes soared from 31% to 49% of the Hawaii new car market. The table below shows by make of car the top sellers in Hawaii through April 1980 relative to their sales pace one year earlier:

HAWAII'S 8 TOP SELLERS

Rank in 1980	Make	No. Sold 4 mo. 1980	No. Sold 4 mo. 1979	% Change 1980/79
1	Toyota	1,646	1,454	13.2
2	Datsun	1,368	898	52.3
3	Ford	1,224	2,218	-44.8
4	Mazda	1,171	485	141.4
5	Chevrolet	983	1,898	-48.2
6	Honda	902	735	22.7
7	Volkswagen	675	922	-26.8
8	Subaru	480	161	196.1

Personal Income

Hawaii's total personal income increased 13.1% last year, from $7,490 million in 1978 to $8,474 million, one percentage point above the average increase nationally of 12.1%, and a faster rate of increase than in 33 other states. In spite of the hefty increase in total income overall, the 10.5% increase on a per capita basis fell short of the 11.0% average per capita gain nationwide for the fourth year in a row and for the seventh out of the last 9 years. In 1970 Hawaii's per capita income was 118% of the U.S. average. The ratio has declined pretty much steadily since then to 112% of the U.S. per capita in 1973, 111% in 1976, down to 107% last year. 1979 per capita income for Hawaii was $9,353 vs. the national average of $8,706.

Total income growth has kept pace with the growth

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	March	9,899	1.6	9.7
INTRASTATE INITIAL CLAIMS	number	March	5,927	8.2	13.3
INTERSTATE INITIAL CLAIMS	number	March	402	-8.8	-0.2
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	March	3,507	4.4	7.2
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no. persons	December	70,770p	-1.1	-0.9
Services	no. cases	1st Qtr. 1980	13,075	-5.0	1.6
Medical	no. patients	December	48,462	-13.9	-11.2
Food Stamps	no. persons	February	102,271	1.8	7.9
PAYMENTS					
Income Maintenance	thous. $	December	9,190	-1.0	1.4
Services	thous. $	4th Qtr. 1979	4,566	8.0	13.7
Medical	thous. $	December	9,331	-23.0	1.7
Food Stamps	thous. $	February	5,074	1.5	56.4

[1]Count of recipients is duplicated. A person may be counted in each category.

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
DE FACTO—STATE	thous.	July 1, 1979	1,012.9		2.3
TOTAL RESIDENT—STATE	thous.	July 1, 1979	914.7		1.4
C & C of Honolulu	thous.	July 1, 1979	729.1		1.0
Maui County	thous.	July 1, 1979	65.5		3.8
Hawaii County	thous.	July 1, 1979	83.7		2.3
Kauai County	thous.	July 1, 1979	36.4		2.5
CIVILIAN RESIDENT—STATE	thous.	July 1, 1979	856.8		1.5
MILITARY PERSONNEL—STATE	number	July 1, 1979	57,868		-0.4
Ashore	number	July 1, 1979	44,915		-2.4
Afloat	number	July 1, 1979	12,953		7.0
CIVILIAN DEPENDENTS OF MILITARY	number	July 1, 1979	64,518		5.6
FOREIGN IMMIGRATION[1]	number	12 mo. ending March 31	6,108		-4.4
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	4th Qtr. 1979	8,904	3.6	12.8
Employment Income[2]	mil. $	4th Qtr. 1979	6,999	3.8	12.6
Manufacturing	mil. $	4th Qtr. 1979	403	5.2	20.3
Construction	mil. $	4th Qtr. 1979	524	2.9	16.7
Wholesale	mil. $	4th Qtr. 1979	309	6.2	12.8
Retail	mil. $	4th Qtr. 1979	823	4.7	12.6
Finance, Ins. & Real Estate	mil. $	4th Qtr. 1979	516	2.8	10.0
Trans., Comm., & Util.	mil. $	4th Qtr. 1979	692	6.6	20.1
Services	mil. $	4th Qtr. 1979	1,432	7.5	18.5
Govt. & Other	mil. $	4th Qtr. 1979	339	3.7	55.5
Federal Civilian	mil. $	4th Qtr. 1979	671	5.5	3.1
Federal Military	mil. $	4th Qtr. 1979	586	0.9	0
State & Local	mil. $	4th Qtr. 1979	705	-6.0	-2.1
Property Income					
Dividends, Interest, Rent	mil. $	4th Qtr. 1979	1,219	4.0	14.1
Transfer Payments (Less Personal Contributions For Social Ins.)	mil. $	4th Qtr. 1979	685	1.0	12.3
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1979	9,353		10.5
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1978	8,806		10.6
Maui County	dollars	1978	7,676		10.3
Hawaii County	dollars	1978	6,687		9.2
Kauai County	dollars	1978	7,044		10.0

**Total personal income and its components are seasonally adjusted at annual rates.

[1]These immigration figures include only those entering Honolulu ports and do not include status changes.

[2]Includes wage and salary disbursements, proprietors' income, and other labor income.

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF 12 LEADING INDICATORS*	1967=100	February	134.8	-0.4	-5.3
GROSS NATIONAL PRODUCT**					
Current Dollars	bil. $	1st Qtr. 1980	2,520.3	2.6	10.0
1972 Dollars	bil. $	1st Qtr. 1980	1,444.2	0.3	1.0
PERSONAL INCOME**	bil. $	March	2,069.4	0.8	10.5
RETAIL SALES*	bil. $	March	77,223	-1.3	7.2
INDUSTRIAL PRODUCTION*	1967=100	March	151.2e	-0.8	-1.2
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	January	35,408.2	5.8	24.4
TURNOVER OF DEMAND DEPOSITS**	annual rate	January	125.8	6.4	19.2
BANK LOANS*	bil. $	February	1,162.4e	1.5	11.6
AVERAGE PRIME RATE CHARGED BY BANKS	percent	April	19.77	8.0	68.3
CONSUMER INSTALLMENT DEBT*	bil. $	February	308,716	-0.1	11.8
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	February	242.1	-3.2	14.8
CONSTRUCTION COST INDEXES					
Residences	1972=100	November	182.2	0.8	6.7
Apts., Hotels, Office Bldgs.	1972=100	November	176.9	1.7	8.0
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	March	97,656	-0.3	1.1
UNEMPLOYMENT*	thous.	March	6,438	2.1	9.5
UNEMPLOYMENT RATE*	percent	March	6.2	3.3	8.8
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	March	239.9	1.4	14.7
All Urban Consumers	1967=100	March	239.8	1.4	14.6
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	March	238.6	1.4	13.9
All Commodities	1967=100	March	261.5	0.7	15.4

e=estimated

p=preliminary

*Seasonally adjusted

**Seasonally adjusted annual rate

nationally. In fact, the 141% increase since 1970 exactly matches the gain for the nation overall. But on a per capita basis, it hasn't—103.4% increase for Hawaii since 1970 vs. an average gain nationally of 123.6%. For while total income has grown at the national rate, Hawaii's population has been growing much faster, more than twice the average U.S. rate—18.8% between 1970 and 1979 vs. 8.3% for the U.S. as a whole.

Population

The State Department of Planning and Economic Development recently released county population estimates for 1979 which show the continuing shift to greater Neighbor Island growth. Oahu, with 79.7% of the state's population, absorbed only 58.5% of the 1979 increase in state population while the Neighbor Islands, with 20.3% of Hawaii's population experienced 41.5% of the state's population growth last year. The shift, with Oahu attracting a declining share of state growth, began in 1975. In the first half of the seventies, Oahu absorbed 80% of the state's increasing population. Between 1970 and 1974, Oahu's population base expanded more than 10%, by an average of roughly 17,000 a year. In the 5 years since then, Oahu's population expanded less than 5%, increasing upwards of 6,000 a year. The Neighbor Islands, on the other hand, have gone from absorbing around 20% of state growth in the early seventies to an average 47% in recent years.

Resident Population by County (thousands)

	1970	1974	1979	Distribution (%) of State Growth 70-74	Distribution (%) of State Growth 74-79
State	769.9	853.5	914.7	100.0	100.0
Oahu	630.5	697.0	729.1	79.5	52.5
Maui	46.2	52.4	65.5	7.5	21.4
Hawaii	63.5	72.1	83.7	10.3	19.0
Kauai	29.8	32.0	36.4	2.7	7.2

First Hawaiian Bank
Established 1858
Member FDIC

END

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	April 30	3,943.2	−2.5	6.0
Honolulu County	mil. $	April 30	3,218.4	−3.1	5.2
Maui County	mil. $	April 30	266.9	−0.6	5.3
Hawaii County	mil. $	April 30	318.9	0.8	13.7
Kauai County	mil. $	April 30	139.0	−1.4	8.2
BANK DEMAND DEPOSITS					
STATE	mil. $	April 30	1,240.7	−2.2	−0.6
Honolulu County	mil. $	April 30	1,034.3	−2.1	−1.3
Maui County	mil. $	April 30	87.4	−4.8	−0.1
Hawaii County	mil. $	April 30	85.2	−0.9	6.2
Kauai County	mil. $	April 30	33.8	−3.1	3.5
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	April	7,151.7	1.9	24.0
Honolulu County	mil. $	April	6,527.6	1.6	23.9
Maui County	mil. $	April	271.2	5.8	22.4
Hawaii County	mil. $	April	252.6	4.4	26.4
Kauai County	mil. $	April	100.3	6.9	31.1
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	April	68.40	2.7	19.8
Honolulu County	annual rate	April	74.94	2.4	20.9
Maui County	annual rate	April	36.33	5.5	14.2
Hawaii County	annual rate	April	35.42	5.3	13.2
Kauai County	annual rate	April	35.09	6.5	20.6
TAX COLLECTIONS					
TAX COLLECTIONS—STATE	thous. $	April	103,470	−4.6	10.4
	thous. $	Jan.-Apr.	460,462	.....	10.9
Honolulu County	thous. $	April	87,501	−5.5	10.4
	thous. $	Jan.-Apr.	393,445	.....	11.1
Maui County	thous. $	April	5,876	4.2	8.8
	thous. $	Jan.-Apr.	23,943	.....	6.6
Hawaii County	thous. $	April	6,774	−13.7	10.0
	thous. $	Jan.-Apr.	29,817	.....	9.3
Kauai County	thous. $	April	3,319	40.6	11.9
	thous. $	Jan.-Apr.	13,257	.....	15.2

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	April	402.6p	−1.0	1.9
Employment	thous.	April	385.7p	−0.7	4.2
Unemployment	thous.	April	16.9p	−8.6	−32.3
Unemployment Rate	percent	April	4.2p	−6.7	−33.3
C & C OF HONOLULU					
Civilian Labor Force	thous.	April	317.2p	−0.8	2.2
Employment	thous.	April	304.5p	−0.4	4.3
Unemployment	thous.	April	12.8p	−8.6	−31.6
Unemployment Rate	percent	April	4.0p	−9.1	−33.3
MAUI COUNTY					
Civilian Labor Force	thous.	April	32.8p	−2.2	1.7
Employment	thous.	April	31.5p	−1.6	5.5
Unemployment	thous.	April	1.4p	−12.9	−44.9
Unemployment Rate	percent	April	4.1p	−10.9	−45.3
HAWAII COUNTY					
Civilian Labor Force	thous.	April	35.1p	−1.5	−0.8
Employment	thous.	April	33.9p	1.8	4.8
Unemployment	thous.	April	2.4p	4.3	−20.0
Unemployment Rate	percent	April	6.1p	−6.2	−28.2
KAUAI COUNTY					
Civilian Labor Force	thous.	April	17.6p	−1.4	2.9
Employment	thous.	April	16.9p	−1.7	4.3
Unemployment	thous.	April	0.7p	0	−22.2
Unemployment Rate	percent	April	3.9p	2.6	−26.4
JOB COUNT BY INDUSTRY					
TOTAL JOBS-STATE[1]	thous.	April	448.9p	−0.4	4.0
SUGAR (mill and field)[1]	thous.	April	8.7p	−0.6	−2.3
PINEAPPLE (cannery and field)[1]	thous.	April	5.3p	5.0	16.5
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	April	15.9p	−0.6	−3.6
Durable Goods	thous.	April	4.5p	0	−4.3
Non-Durable Goods	thous.	April	11.4p	−0.9	−3.4
Apparel and Textiles	thous.	April	3.3p	−1.5	−3.0
DIVERSIFIED AGRICULTURE[1] (excluding sugar and pineapple, but including agricultural self-employed)	thous.	April[2]	7.0p	−6.7	−2.8
CONTRACT CONSTRUCTION	thous.	April	22.9p	−1.3	0.2
TRANSPORTATION	thous.	April	21.4p	−0.5	5.7
COMMUNICATION	thous.	April	6.9p	0	2.2
UTILITIES	thous.	April	2.5p	0	0
RETAIL TRADE	thous.	April	87.8p	−0.3	3.7
WHOLESALE TRADE	thous.	April	19.0p	0.8	5.3
FINANCE, INSURANCE AND REAL ESTATE	thous.	April	31.1p	−0.2	3.7
HOTEL SERVICES-STATE	thous.	April	26.2p	−0.2	6.1
Honolulu County	thous.	April	16.4p	0	3.2
Maui County	thous.	April	4.9p	−2.0	19.5
Hawaii County	thous.	April	3.3p	0	8.3
Kauai County	thous.	April	1.7p	0	−2.9
OTHER SERVICES	thous.	April	78.1p	−0.3	9.0
FEDERAL GOVERNMENT	thous.	April	29.6p	0.5	−0.2
Civilian Agencies	thous.	April	10.8p	0.5	0.5
Defense Department	thous.	April	18.8p	0.5	−0.5
STATE GOVERNMENT	thous.	April	49.1p	0.6	5.8
COUNTY GOVERNMENT	thous.	April	13.3p	−2.2	−1.1
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	April	11.70p	−0.2	7.7
Average Weekly Hours	hours	April	39.0p	1.8	8.3
MANUFACTURING					
Average Hourly Earnings	dollars	April	6.87p	−2.3	6.2
Average Weekly Hours	hours	April	37.1p	−0.8	−0.8
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	April	9.01p	0	8.3
Average Weekly Hours	hours	April	45.3p	0.2	1.8
TRADE					
Average Hourly Earnings	dollars	April	5.45p	−1.6	5.0
Average Weekly Hours	hours	April	33.1p	0	0.6
FINANCE					
Average Weekly Earnings	dollars	April	181.18p	−4.7	−0.6
HOTELS					
Average Hourly Earnings	dollars	April	5.60p	2.0	8.1
Average Weekly Hours	hours	April	35.8p	20.1	10.8
HIRED FARM WORKERS[3]					
Average Hourly Earnings	dollars	April	5.70	9.0	14.5
Average Weekly Hours	hours	April	38.9	17.2	2.9

p=preliminary

[1]Series includes agricultural employment during April survey week.

[2]The most recent estimate of agricultural jobs is included in the total job count even though the period may differ. Agricultural employment is only surveyed quarterly, in January, April, July, and October of each year. These dates apply to the field portions of sugar and pineapple jobs, too.

[3]Includes some office and supervisory workers.

lations are published weekly covering the preceding week's activity. Through March, resales that had closed escrow and those pending — sales awaiting financing — totaled 2,356, 14.5% fewer than last year. In the 11 weeks since then (to June 16), activity has declined precipitously, a result of a further tightening of credit controls by the Administration in mid-March. The combined total of closed and pending sales increased by 889, only 38% of the 2,356 increase recorded during the same 11-week period in 1979.

When the real estate market turns downward, the time it takes to sell increases. Average market time for closed and pending sales through June 16 was 76 days compared to 63 days during the same period last year. The average sales price for all property types, while up to $115,618 from $90,615 in the first 24 weeks of 1979, is down from an average $125,095 in the first two months of the year.

The MLS reported 1,705 active (not yet sold) single-family listings as of June 16 — 57% more than 12 months earlier — on the market an average 101 days, up from 81 days at the same time last year. There were 4,442 condominiums listed for resale, more than double the 2,039 available as of June 18, 1979. Average market time for active condominium listings was up from 66 days as of June 18, 1979 to 105 days as of June 16, 1980.

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	April	9,728	−1.7	−3.9
INTRASTATE INITIAL CLAIMS	number	April	5,750	−3.0	−17.4
INTERSTATE INITIAL CLAIMS	number	April	353	−12.2	−27.1
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	April	3,722	6.1	15.0
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	April	70,652	−0.1	0.5
Services	no./cases	1st Qtr. 1980	13,075	−5.0	1.6
Medical	no./patients	March	51,641	−6.0	−10.5
Food Stamps	no./persons	March	102,643	0.4	6.4
PAYMENTS					
Income Maintenance	thous. $	April	9,207	0.1	2.3
Services	thous. $	1st Qtr. 1980	4,069	−10.9	−7.3
Medical	thous. $	March	9,834	−2.5	−0.3
Food Stamps	thous. $	March	5,074	0	51.8

[1]Count of recipients is duplicated. A person may be counted in each category.

Honolulu Construction Cost Indexes

The Honolulu Construction Cost Index for single-family residences declined 1.8% in May following a 2.0% decrease in April, the first time the index has fallen for two consecutive months. The May index for high-rise buildings remains unchanged after a 0.8% decrease in April.

As a result of drastic moves made earlier this year by the Carter Administration that drove interest rates to unprecedented levels, building has been soft on the Mainland and suppliers have lowered prices of some building materials. Lumber prices in Hawaii have been cut to pre-1979 levels and prices of electrical wire and shake roofing have fallen considerably. The decline is more pronounced in the single-family index due to the larger percentage of lumber used in building homes.

The materials price indexes for both single-family and high-rise construction are down 3.6% and 0.1% respectively reflecting a softening in the local construction industry.

However, the labor wage and benefits indexes are up slightly — 0.3% for single-family and 0.1% for high-rise. Further increases in this component are expected when labor contracts are renegotiated in September.

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
DE FACTO—STATE	thous.	July 1, 1979	1,012.9	.....	2.3
TOTAL RESIDENT—STATE	thous.	July 1, 1979	914.7	.....	1.4
C & C of Honolulu	thous.	July 1, 1979	729.1	.....	1.0
Maui County	thous.	July 1, 1979	65.5	.....	3.8
Hawaii County	thous.	July 1, 1979	83.7	.....	2.3
Kauai County	thous.	July 1, 1979	36.4	.....	2.5
CIVILIAN RESIDENT—STATE	thous.	July 1, 1979	856.8	.....	1.5
MILITARY PERSONNEL—STATE	number	April 1, 1980	61,019	.....	5.4*
Ashore	number	April 1, 1980	48,813	.....	8.7*
Afloat	number	April 1, 1980	12,206	.....	−5.8*
CIVILIAN DEPENDENTS OF MILITARY	number	April 1, 1980	64,023	.....	−0.8*
FOREIGN IMMIGRATION[1]	number	12 mo. ending April 30	6,108	.....	−4.4
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	4th Qtr. 1979	8,904	3.6	12.8
Employment Income[2]	mil. $	4th Qtr. 1979	6,999	3.8	12.6
Manufacturing	mil. $	4th Qtr. 1979	403	5.2	20.3
Construction	mil. $	4th Qtr. 1979	524	2.9	16.7
Wholesale	mil. $	4th Qtr. 1979	309	6.2	12.8
Retail	mil. $	4th Qtr. 1979	823	4.7	12.6
Finance, Ins. & Real Estate	mil. $	4th Qtr. 1979	516	2.8	10.0
Trans., Comm., & Util.	mil. $	4th Qtr. 1979	692	6.6	20.1
Services	mil. $	4th Qtr. 1979	1,432	7.5	18.5
Farm & Other	mil. $	4th Qtr. 1979	339	3.7	55.5
Federal Civilian	mil. $	4th Qtr. 1979	671	5.5	3.1
Federal Military	mil. $	4th Qtr. 1979	586	0.9	0
State & Local	mil. $	4th Qtr. 1979	705	−6.0	−2.1
Property Income (Dividends, Interest, Rent)	mil. $	4th Qtr. 1979	1,219	4.0	14.1
Transfer Payments (1,101) minus Personal Contributions For Social Ins. (416)	mil. $	4th Qtr. 1979	685	1.0	12.3
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1979	9,353	.....	10.5
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1978	8,806	.....	10.6
Maui County	dollars	1978	7,676	.....	10.3
Hawaii County	dollars	1978	6,687	.....	9.2
Kauai County	dollars	1978	7,044	.....	10.0

*Compared to July 1, 1979.

**Total personal income and all components are seasonally adjusted at annual rates.

[1]These immigration statistics include only those entering Honolulu ports and do not include status changes.

[2]Includes wage and salary disbursements, proprietors' income, and other labor income.

u. s. economic indicators

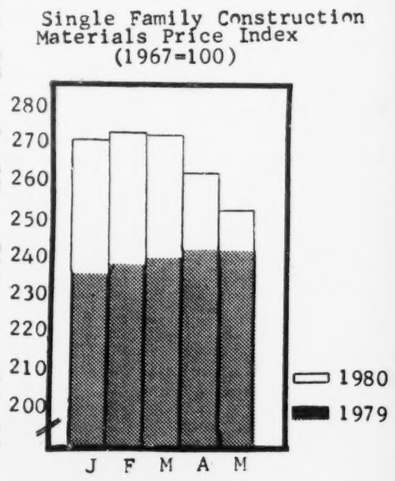
series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF 12 LEADING INDICATORS*	1967=100	March	131.3	−2.6	−8.3
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	1st Qtr. 1980	2,516.1	2.4	9.8
In 1972 Dollars	bil. $	1st Qtr. 1980	1,442.6	0.2	0.8
PERSONAL INCOME**	bil. $	April	2,070.1	0.0	10.1
RETAIL SALES*	bil. $	April	75,325	−1.2	5.2
INDUSTRIAL PRODUCTION*	1967=100	April	148.5	−1.9	−1.5
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	February	36,312.2	2.6	26.4
TURNOVER OF DEMAND DEPOSITS**	annual rate	February	129.1	2.6	20.3
BANK LOANS*	bil. $	April	1,160.2e	−0.4	9.3
AVERAGE PRIME RATE CHARGED BY BANKS	percent	May	16.92	−14.4	44.0
CONSUMER INSTALLMENT DEBT*	bil. $	March	307,961	−0.1	10.6
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	March	229.0	−5.8	5.7
CONSTRUCTION COST INDEXES					
Residences	1972=100	January	182.5	0.2	6.4
Apts, Hotel, Office Bldgs	1972=100	January	178.5	0.9	8.2
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	April	97,154	−0.5	0.9
UNEMPLOYMENT*	thous.	April	7,265	12.8	22.2
UNEMPLOYMENT RATE*	percent	April	7.0	12.9	20.7
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	April	242.6	1.1	14.5
All Urban Consumers	1967=100	April	242.5	1.1	14.7
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	April	239.8	0.5	13.6
All Commodities	1967=100	April	262.3	0.3	14.0

e=estimated.

p=preliminary.

*Seasonally adjusted.

**Seasonally adjusted annual rate.



First Hawaiian Bank Established 1858 Member FDIC

Economic Indicators

ISSN 0015-2757

A Monthly Report by the Research Division Dr. Thomas K. Hitch, Senior Vice President Shurei Hirozawa, Vice President June, 1980

7/17/80
3500-1

The Outlook for Aquaculture

The recent announcement that C. Brewer & Co. will terminate its prawn-growing business on Kauai after the final harvest later this year has raised questions about the future of aquaculture in Hawaii. Brewer was one of the pioneers in Hawaii's newly emerging aquaculture industry and everyone looked to its leadership to take the industry beyond the developmental stage into full commercial operation. Brewer not only had the strong backing of the State and County of Kauai but its spirited entry into this untested business caught the imagination of the public which was pulling for Brewer to succeed.

The decision, however, doesn't mean that aquaculture in Hawaii is doomed. It means that Brewer has made a contribution with its four-year pilot project at a time when the infant industry was going through its experimental and developmental stages. The industry is much better prepared now to expand into commercial operations in the 1980s. Brewer started with two experimental projects—prawns and guavas—in Kilauea in 1976. Since guavas are doing so much better than prawns, the company is going to concentrate all of its resources in guavas rather than in two products.

This leaves Lowe Inc. as the only large prawn producer in Hawaii today. It has 100 acres of ponds in Kahuku and can expand to 400 acres if present operations reach objectives set by management. Lowe will be joined soon by Amfac which recently announced it will start large-scale prawn production at Kekaha, Kauai, later this year. This will be the first production unit to be located on the warm, dry, leeward side of any island in the state. That will be an advantage because a major problem in Brewer's operation was the periods of prolonged cloud cover that adversely affected growing conditions for the prawns by reducing water temperatures to unacceptable levels.

In addition to these two large prawn-farming units, two other large commercial seafood-farming operations will get started this year. The first is Taylor "Tap" Pryor's Kahuku Seafood Plantation where the oyster-growing pilot project is going to be expanded substantially into a commercial operation. The other is the shrimp farm that the University of Arizona's Environmental Research Laboratory is developing at Kahuku for the Coca-Cola Co. and the F. H. Prince Co. The controlled environment system developed by ERL scientists has yielded 65,000 pounds of shrimp tails (heads removed) per acre per year in test operations. Both oysters and shrimp are grown in salt water (mariculture).

Aquaculture in Hawaii today is made up mainly of prawn culture. Oysters, shrimp, and catfish are expected to become more important crops in this decade. Catfish production, which has been a small-scale operation on Maui for a number of years, will begin to increase with the recent settlement of land tenure problems. Receipts in 1979 from aquaculture totaled $1.4 million, more than double 1978 receipts of $673,000. Prawns grossed $700,000, and post-larval prawns used for stocking ponds (most of which are exported) brought $600,000, Department of Planning and Economic Development statistics show. The remainder was made up of $80,000 from brine shrimp, $22,000 from oysters, $22,000 from Hawaiian fishpond production, and $3,000 from catfish. The crops sold as food totaled 435,000 pounds. Production has grown rapidly in the past few years. In 1976, 98,705 pounds of food were grown with receipts of $221,500. The 1980 production will be down with Brewer going out of business, but receipts are expected to exceed $1 million. Counting the three prawn farms to be started this year, there are 20 in the state, 17 of them on Oahu. Seven others are being planned on the Big Island. In addition to Lowe, Inc., there are four operating farms between seven and 30 acres in size, and the rest are under five acres each.

Research has shown that prawn culture is temperature-dependent. The prawn's body temperature is about that of the water, and metabolism slows in colder water. They grow best between 80 and 85 degrees, and won't grow in water that is below 60 degrees. The average industry yield today is less than 2,000 pounds per acre per year, according to the Anuenue Fisheries Research Center, with backyard operations ranging from 1,000 to 3,600 pounds of annual production per acre. Most commercial operators are doing better than 2,000 pounds, and the goal is to raise average yield to 2,500 pounds. The yield of 3,000 to 3,500 pounds projected four years ago, based on the experience of intensively cultivated small ponds, was obviously too high, but there is hope that the goal may be within reach as research and experience help the industry develop new technologies and better ways of raising prawns. Much has been learned about the pond ecosystem, and the new knowledge will result in different sizes and shapes of ponds to be built in the future, improved stocking schedules, more efficient feeding and harvesting techniques, improved feed, and cost reduction.

But there are many questions to be resolved and inevitably many more will present themselves so the research must go on continually. The National Aquaculture Bill, which passed the Senate and has gone to the House, could help Hawaii tremendously with funding for research and development. Hawaii's aquaculture industry is so far ahead of development in most other states that Hawaii stands to be a major recipient if the bill passes.

Hawaii's lead in this field, favorable climatic conditions, and possible federal assistance will help the emerging industry take substantial strides during this decade.

First Hawaiian Bank
Established 1858 • Member of F.D.I.C.

business activity-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	April	300,909p	−15.8	3.1
	number	Jan.-Apr.	1,300,106p	.....	−3.9
Westbound	number	April	233,495p	−19.9	2.3
	number	Jan.-Apr.	1,025,897p	.....	−6.8
Eastbound	number	April	67,414p	2.7	6.2
	number	Jan.-Apr.	274,209p	.....	8.7
AVERAGE DAILY VISITOR CENSUS[1]	number	April	82,523p	−19.9	−3.6
AVERAGE LENGTH OF STAY[1]	no. of days	April	10.2	−1.0	−3.8
MEETINGS ATTENDANCE	number	Jan.-Apr.	96,131p	.....	29.8
ORGANIZED GROUP TOURS	number	April	74,451p	−0.6	−1.6
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	April	103,440p	−18.9	1.7
	number	Jan.-Apr.	466,545p	.....	−6.9
Hawaii	number	April	59,868p	−15.9	4.2
	number	Jan.-Apr.	268,203p	.....	−13.1
Kauai	number	April	61,404p	−13.8	0.3
	number	Jan.-Apr.	256,108p	.....	−10.5
VISITOR ACCOMMODATIONS					
STATE	number	February	54,246	4.8	8.9
Oahu	number	February	34,334	7.0	14.2
Waikiki	number	February	30,443	8.2	15.6
Maui (includes 11 on Lanai)	number	February	9,144	1.0	2.1
Molokai	number	February	557	0	7.1
Hawaii	number	February	5,889	−1.5	−3.3
Kauai	number	February	4,322	5.2	2.9
HOTEL OCCUPANCY					
STATE	percent	April	72.3	−7.4	1.0
Oahu	percent	April	72.9	−8.0	−3.3
Maui	percent	April	71.8	−15.9	3.3
Hawaii	percent	April	54.4	−13.0	−1.4
Kauai	percent	April	71.0	−10.7	−3.7
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	1st Qtr.	331.9	7.1	7.4
Military Payroll	mil. $	1st Qtr.	130.7	−0.5	6.2
Civilian Payroll	mil. $	1st Qtr.	111.2	21.2	7.8
Local Purchases	mil. $	1st Qtr.	90.0	3.8	8.9
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan.-May 3	171.9	.....	4.4
N. Y. RAW SUGAR PRICE	$/ton	April	454.17	7.1	60.4
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-Nov. 1979	156,520	.....	26.4
FRESH	thous. lbs.	Jan.-Apr.	66,671	.....	2.5
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	April[3]	228.4	3.2	14.2
All Urban Consumers, All items	1967=100	April[3]	227.4	2.9	13.3
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	April	536.1	−3.2	1.4
GAS SALES	thous. therms	April	4,692	2.8	1.3
TELEPHONES IN SERVICE	thous.	April	695.9	0.2	4.4

p=preliminary
[1]Estimated Westbound
[2]Gross taxable income valued at time of shipment.
[3]Compared to February 1980.

Oahu Real Estate

Washington's attempt to come to grips with inflation by increasing the cost of credit in order to slow the economy sent local mortgage rates shooting beyond the 11% level in the 4th quarter of 1979, into the 14% range in March, and essentially dried up all conventional mortgage money in April save one bank that was offering loans at 15.5%. The high money costs in combination with a general softening of the economy have shifted the Honolulu real estate market out of high gear. The slowdown began in the final quarter of 1979 when, according to Monitor magazine, 2,607 in sales of condominiums and single family homes, both new and resale, came in 36% under 4th quarter 1978

business activity-hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	November 1979	116.4	4.2	22.4
	mil. $	Jan.-Nov. 1979	1,226.1	.....	24.2
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Apr.	163,697	.....	6.4
C&C of Honolulu	thous. $	Jan.-Apr.	61,850	.....	−18.6
Maui County	thous. $	Jan.-Apr.	49,297	.....	26.1
Hawaii County	thous. $	Jan.-Apr.	30,007	.....	10.3
Kauai County	thous. $	Jan.-Apr.	22,543	.....	94.2
SINGLE FAMILY UNITS					
STATE	number	Jan.-Apr.	1,461	.....	−25.6
C&C of Honolulu	number	Jan.-Apr.	620	.....	−39.0
Maui County	number	Jan.-Apr.	277	.....	−7.0
Hawaii County	number	Jan.-Apr.	433	.....	−7.5
Kauai County	number	Jan.-Apr.	131	.....	−27.2
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Apr.	1,405	.....	30.5
C&C of Honolulu	number	Jan.-Apr.	424	.....	49.8
Maui County	number	Jan.-Apr.	536	.....	13.8
Hawaii County	number	Jan.-Apr.	199	.....	−34.3
Kauai County	number	Jan.-Apr.	246	.....	+
NONRESIDENTIAL					
STATE	thous. $	Jan.-Apr.	129,273	.....	62.7
C&C of Honolulu	thous. $	Jan.-Apr.	81,576	.....	24.3
Maui County	thous. $	Jan.-Apr.	7,187	.....	6.8
Hawaii County	thous. $	Jan.-Apr.	25,420	.....	379.8
Kauai County	thous. $	Jan.-Apr.	15,090	.....	748.1
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-May	62,259	.....	−59.5
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-May	18,240	.....	−46.0
STATE	thous. $	Jan.-May	29,714	.....	−61.8
COUNTY	thous. $	Jan.-May	14,305	.....	−65.9
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-May	46,804	.....	−62.1
Maui County	thous. $	Jan.-May	2,531	.....	−83.3
Hawaii County	thous. $	Jan.-May	11,839	.....	4.0
Kauai County	thous. $	Jan.-May	1,086	.....	−69.9
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	May	275.6	−1.8	5.0
HIGH-RISE	1967=100	May	285.5	0	9.1
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	November 1979	1,340.9	−5.5	21.4
	mil. $	Jan.-Nov. 1979	15,789.7	.....	23.1
DIVERSIFIED MANUFACTURING	mil. $	November 1979	38.4	−33.2	−5.1
	mil. $	Jan.-Nov. 1979	524.4	.....	21.1
DIVERSIFIED AGRICULTURE	mil. $	November 1979	8.7	−31.2	−26.4
	mil. $	Jan.-Nov. 1979	139.3	.....	0.9
RETAILING	mil. $	November 1979	454.5	−5.7	21.4
	mil. $	Jan.-Nov. 1979	5,271.4	.....	16.0
WHOLESALING	mil. $	November 1979	420.5	7.1	36.3
	mil. $	Jan.-Nov. 1979	4,481.1	.....	34.7
SERVICES	mil. $	November 1979	229.4	−6.8	14.8
	mil. $	Jan.-Nov. 1979	3,003.8	.....	16.7
OAHU NEW CAR AND PASSENGER TRUCK SALES	number	April	2,267	−16.5	10.9

sales after a very busy summer season when 5,345 in sales exceeded 1978's summer volume by 13%.

For the first 4 months of 1980, Monitor recorded a total of 3,985 sales, 31% below Jan-April 1979. There were 880 single-family sales — down 40% — and 3,105 condominium sales — down 27%. The inventory of unsold units has mounted to 6,593 from a low of 3,134 twelve months earlier.

The Honolulu Board of Realtors Multiple Listing Service (MLS) generates figures derived from its own member listings that pertain primarily to resales. MLS statistics afford the most up-to-date view of what's happening in the market. Individual market listings are computerized and comprehensive tabu-

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	May 31	4,023.7	2.0	10.0
Honolulu County	mil. $	May 31	3,302.6	2.6	9.9
Maui County	mil. $	May 31	257.7	−3.5	7.7
Hawaii County	mil. $	May 31	325.2	2.0	17.7
Kauai County	mil. $	May 31	138.2	−0.6	0.5
BANK DEMAND DEPOSITS					
STATE	mil. $	May 31	1,222.0	−1.5	1.7
Honolulu County	mil. $	May 31	1,024.4	−1.0	1.4
Maui County	mil. $	May 31	80.0	−8.4	3.4
Hawaii County	mil. $	May 31	85.4	0.3	12.1
Kauai County	mil. $	May 31	32.1	−4.8	−14.8
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	May	6,856.8	−4.1	14.1
Honolulu County	mil. $	May	6,268.1	−4.0	14.2
Maui County	mil. $	May	253.1	−6.7	14.6
Hawaii County	mil. $	May	243.3	−3.7	13.6
Kauai County	mil. $	May	92.4	−7.9	9.4
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	May	66.82	−2.3	13.5
Honolulu County	annual rate	May	73.07	−2.5	14.1
Maui County	annual rate	May	36.28	−0.1	12.8
Hawaii County	annual rate	May	34.22	−3.4	4.2
Kauai County	annual rate	May	33.65	−4.1	16.8
TAX COLLECTIONS					
TAX COLLECTIONS—STATE	thous. $	May	123,316	19.2	10.4
	thous. $	Jan.-May	583,778	.....	10.8
Honolulu County	thous. $	May	110,381	26.1	11.5
	thous. $	Jan.-May	503,826	.....	11.2
Maui County	thous. $	May	6,538	11.3	1.2
	thous. $	Jan.-May	30,481	.....	5.4
Hawaii County	thous. $	May	4,557	−32.7	−3.1
	thous. $	Jan.-May	34,374	.....	7.5
Kauai County	thous. $	May	1,840	−44.6	18.9
	thous. $	Jan.-May	15,097	.....	15.7

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous.	May	399.7p	−0.7	1.3
Employment	thous.	May	382.3p	−0.9	3.5
Unemployment	thous.	May	17.4p	3.0	−31.4
Unemployment Rate	percent	May	4.4p	4.8	−31.3
C & C OF HONOLULU					
Civilian Labor Force	thous.	May	314.0p	−1.0	1.3
Employment	thous.	May	300.9p	−1.2	3.4
Unemployment	thous.	May	13.1p	2.7	−31.8
Unemployment Rate	percent	May	4.2p	5.0	−32.3
MAUI COUNTY					
Civilian Labor Force	thous.	May	32.9p	0.3	2.3
Employment	thous.	May	31.6p	0.3	4.8
Unemployment	thous.	May	1.3p	−3.7	−36.6
Unemployment Rate	percent	May	3.9p	−4.9	−38.1
HAWAII COUNTY					
Civilian Labor Force	thous.	May	35.1p	0.1	0
Employment	thous.	May	32.8p	−3.2	2.5
Unemployment	thous.	May	2.3p	9.5	−25.8
Unemployment Rate	percent	May	6.7p	9.8	−24.7
KAUAI COUNTY					
Civilian Labor Force	thous.	May	17.7p	0.6	2.0
Employment	thous.	May	17.0p	0.9	4.6
Unemployment	thous.	May	0.7p	−7.1	−35.0
Unemployment Rate	percent	May	3.8p	−2.6	−35.6
JOB COUNT BY INDUSTRY					
TOTAL JOBS-STATE[1]	thous.	May	447.8p	−0.2	3.7
SUGAR (mill and field)[1]	thous.	May	8.6p	−0.6	−2.8
PINEAPPLE (cannery and field)[1]	thous.	May	5.7p	7.5	12.9
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous.	May	15.6p	−1.9	−6.0
Durable Goods	thous.	May	4.3p	−4.4	−9.5
Non-Durable Goods	thous.	May	11.3p	−1.3	−4.3
Apparel and Textiles	thous.	May	3.2p	−1.5	−5.9
DIVERSIFIED AGRICULTURE[1] (excluding sugar and pineapple, but including agricultural self-employed)	thous.	May[2]	7.0p	0	−2.8
CONTRACT CONSTRUCTION	thous.	May	23.1p	0.4	1.3
TRANSPORTATION	thous.	May	21.2p	−0.9	6.8
COMMUNICATION	thous.	May	6.9p	0	2.2
UTILITIES	thous.	May	2.5p	0	0
RETAIL TRADE	thous.	May	87.8p	0.2	3.8
WHOLESALE TRADE	thous.	May	19.2p	1.1	6.1
FINANCE, INSURANCE AND REAL ESTATE	thous.	May	31.1p	0	3.5
HOTEL SERVICES-STATE	thous.	May	25.8p	−1.5	6.6
Honolulu County	thous.	May	16.1p	−1.8	3.5
Maui County	thous.	May	4.8p	−1.0	23.1
Hawaii County	thous.	May	3.2p	−1.5	8.5
Kauai County	thous.	May	1.7p	0	−5.6
OTHER SERVICES	thous.	May	78.3p	0.1	10.1
FEDERAL GOVERNMENT	thous.	May	29.6p	0.2	−0.2
Civilian Agencies	thous.	May	10.9p	0.9	0
Defense Department	thous.	May	18.8p	−0.3	−0.5
STATE GOVERNMENT	thous.	May	47.2p	−3.9	2.2
COUNTY GOVERNMENT	thous.	May	13.2p	−0.8	−1.1
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	May	11.62p	−0.7	7.0
Average Weekly Hours	hours	May	38.9p	−0.3	−0.3
MANUFACTURING					
Average Hourly Earnings	dollars	May	6.81p	−0.9	6.7
Average Weekly Hours	hours	May	35.9p	−3.2	−7.0
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	May	9.42p	4.6	7.2
Average Weekly Hours	hours	May	44.4p	−2.0	1.6
TRADE					
Average Hourly Earnings	dollars	May	6.16p	13.0	20.3
Average Weekly Hours	hours	May	32.8p	−0.9	0.3
FINANCE					
Average Weekly Earnings	dollars	May	179.16p	−1.1	6.6
HOTELS					
Average Hourly Earnings	dollars	May	5.54p	−1.1	6.3
Average Weekly Hours	hours	May	30.5p	−14.8	−2.2
HIRED FARM WORKERS[3]					
Average Hourly Earnings	dollars	April	5.70	9.0	14.5
Average Weekly Hours	hours	April	38.9	17.2	2.9

p=preliminary

[1]Series includes agricultural employment during April survey week.

[2]The most recent estimate of agricultural jobs is included in the total job count even though the period may differ. Agricultural employment is only surveyed quarterly, in January, April, July, and October of each year. These dates apply to the field portions of sugar and pineapple jobs, too.

[3]Includes some office and supervisory workers.

term oil contracts between Hawaiian Electric and Standard Oil Co. of California that were negotiated when oil prices were considerably below what they are today and 2) EPA requirements to burn higher-priced, low-sulfur fuel at HECO's Kahe plant.

Figured on an average daily basis (since 1980 is a leap year and contains an extra day) 1.8% more electricity was generated through June 1980 than in the first half of 1979. That's compared to an increase of 2.9% last year, 3.1% in 1978, and an average 7% for the first half of the past decade.

While the increase in electricity consumption has trended downward, Gasco, Inc. reports an actual drop in gas sales this year, down 1.1% in the first five months relative to the same period in 1979, the second time, within the past twenty years anyway, that Gasco sales have declined. A 0.5% decline was recorded in 1977.

1979 Agriculture Sales

The Statistics of Hawaiian Agriculture published annually by the State Department of Agriculture, reported $439.2 million in sales of Hawaii agricultural products last year, up 15.5% over 1978 sales of $380.3 million. (The figures represent the farm value of sales and not the retail value.) Gains were recorded for all major product categories except hogs where 21 percent lower production resulted in 12% lower revenues from sales.

Fifty-nine percent of the revenue increase derived from sugar, spurred by 15% higher prices. The next largest contributor was pineapple, generating 11.1% of the increase in agriculture sales as a result of an average 15.5% higher prices for canned pineapple.

The remaining 30% gain in total output came from the sale of diversified agricultural products. Star performers were macadamia, where a 19% increase in marketings and 15% higher average prices combined to boost sales by 37%, from $11.3 million to $15.5 million, and the flower and nursery products category which gained 19%, increasing from $17.5 million to $20.8 million with the bulk of the gain stemming from increased sales of potted plants. Other notable gains were reported for cattle where, with 32% higher average prices sales were boosted 15.5% from $24.4 million to $28.1 million, in spite of a 12% decline in production. Papaya likewise performed remarkably well despite bad weather in January and February and an almost 100 acre withdrawal from production on Maui that together reduced total state production by 36%. A seventy-eight percent higher average price more than made up for the production loss, however, and sales revenues rose 14.5%.

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	May	8,822	−9.3	−18.8
INTRASTATE INITIAL CLAIMS	number	May	5,211	−9.4	−10.9
INTERSTATE INITIAL CLAIMS	number	May	389	10.2	−17.2
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	May	3,445	−7.4	−6.7
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	May	71,044	0.6	1.5
Services	no./cases	1st Qtr. 1980	13,075	−5.0	1.6
Medical	no./patients	May	56,964	10.7	11.4
Food Stamps	no./persons	April	102,768	0.1	16.1
PAYMENTS					
Income Maintenance	thous. $	May	9,263	0.6	3.4
Services	thous. $	1st Qtr. 1980	4,069	−10.9	−7.3
Medical	thous. $	May	10,674	30.0	21.5
Food Stamps	thous. $	April	5,067	−0.1	41.3

[1]Count of recipients is duplicated. A person may be counted in each category.

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
DE FACTO—STATE	thous.	July 1, 1979	1,012.9	.....	2.3
TOTAL RESIDENT—STATE	thous.	July 1, 1979	914.7	.....	1.4
C & C of Honolulu	thous.	July 1, 1979	729.1	.....	1.0
Maui County	thous.	July 1, 1979	65.5	.....	3.8
Hawaii County	thous.	July 1, 1979	83.7	.....	2.3
Kauai County	thous.	July 1, 1979	36.4	.....	2.5
CIVILIAN RESIDENT—STATE	thous.	July 1, 1979	856.8	.....	1.5
MILITARY PERSONNEL—STATE	number	April 1, 1980	61,019	.....	5.4*
Ashore	number	April 1, 1980	48,813	.....	8.7*
Afloat	number	April 1, 1980	12,206	.....	−5.8*
CIVILIAN DEPENDENTS OF MILITARY	number	April 1, 1980	64,023	.....	−0.8*
FOREIGN IMMIGRATION[1]	number	12 mo. ending April 30	6,135	.....	−3.1
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	4th Qtr. 1979	8,904	3.6	12.8
Employment Income[2]	mil. $	4th Qtr. 1979	6,999	3.8	12.6
Manufacturing	mil. $	4th Qtr. 1979	403	5.2	20.3
Construction	mil. $	4th Qtr. 1979	524	2.9	16.7
Wholesale	mil. $	4th Qtr. 1979	309	6.2	12.8
Retail	mil. $	4th Qtr. 1979	823	4.7	12.6
Finance, Ins. & Real Estate	mil. $	4th Qtr. 1979	516	2.8	10.0
Trans., Comm., & Util.	mil. $	4th Qtr. 1979	692	6.6	20.1
Services	mil. $	4th Qtr. 1979	1,432	7.5	18.5
Farm & Other	mil. $	4th Qtr. 1979	339	3.7	55.5
Federal Civilian	mil. $	4th Qtr. 1979	671	5.5	3.1
Federal Military	mil. $	4th Qtr. 1979	586	0.9	0
State & Local	mil. $	4th Qtr. 1979	705	−6.0	−2.1
Property Income (Dividends, Interest, Rent)	mil. $	4th Qtr. 1979	1,219	4.0	14.1
Transfer Payments (1,101) minus Personal Contributions For Social Ins. (416)	mil. $	4th Qtr. 1979	685	1.0	12.3
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1979	9,353	.....	10.5
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1978	8,806	.....	10.6
Maui County	dollars	1978	7,676	.....	10.3
Hawaii County	dollars	1978	6,687	.....	9.2
Kauai County	dollars	1978	7,044	.....	10.0

*Compared to July 1, 1979.

**Total personal income and all components are seasonally adjusted at annual rates.

[1]These immigration statistics include only those entering Honolulu ports and do not include status changes.

[2]Includes wage and salary disbursements, proprietors' income, and other labor income.

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF 12 LEADING INDICATORS*	1967=100	April	126.4p	−4.1	−9.9
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	1st Qtr. 1980	2,520.8 r	2.6	10.0
In 1972 Dollars	bil. $	1st Qtr. 1980	1,444.7 r	0.3	1.0
PERSONAL INCOME**	bil. $	May	2,070.0p	0.1	9.4
RETAIL SALES*	bil. $	May	73,658	−1.5	1.9
INDUSTRIAL PRODUCTION*	1967=100	May	145.5e	−2.1	−4.5
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	April	34,045.0	−6.4	13.9
TURNOVER OF DEMAND DEPOSITS**	annual rate	April	128.3	−1.2	17.5
BANK LOANS*	bil. $	May	861.2e	−1.2	8.6
AVERAGE PRIME RATE CHARGED BY BANKS	percent	June	12.63	−23.8	8.4
CONSUMER INSTALLMENT DEBT*	bil. $	April	306,131	−0.5	8.3
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	April	221.7	−3.6	2.4
CONSTRUCTION COST INDEXES					
Residences	1972=100	January	182.5	0.2	6.4
Apts, Hotel, Office Bldgs	1972=100	January	178.5	0.9	8.2
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous.	May	96,988	−0.2	0.5
UNEMPLOYMENT*	thous.	May	8,154	12.2	38.1
UNEMPLOYMENT RATE*	percent	May	7.8	11.4	34.5
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	May	245.1	1.0	14.4
All Urban Consumers	1967=100	May	244.9	1.0	14.4
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	May	240.4	0.3	13.3
All Commodities	1967=100	May	263.7	0.5	13.7

e=estimated. *Seasonally adjusted.
r=revised. **Seasonally adjusted annual rate.
p=preliminary.

First Hawaiian Bank Established 1858 Member FDIC

Economic Indicators

ISSN 0015-2757

A Monthly Report by the Research Division Dr. Thomas K. Hitch, Senior Vice President Shurei Hirozawa, Vice President July 1980

12/22/80

B 3500-1 D

Unviolent Hawaii

Recently Mainland newspapers have picked up the topic of crime in Hawaii with relish. It's the kind of anomaly newspapers love—man bites dog is news, crime in paradise is news. It wouldn't be particularly interesting to report that residents and travelers in New York or Chicago might get mugged or ripped off, but crime in beautiful Hawaii gets headlines.

Hawaii's residents are of course deeply concerned about crime, as are all decent citizens and law enforcement agencies throughout the country. From 1960 to 1978 the nation's crime rate increased by more than 500 percent, while the U.S. population increased only 24 percent. Hawaii showed a similar crime rate increase, though Hawaii's population grew at twice the national rate.

Crime rates per 100,000 population are computed by the Federal Bureau of Investigation (FBI) from seven categories of reported "index" crimes, which are divided into violent crimes against persons (murder, rape, robbery, and assault) and property crimes (burglary, larceny, and auto theft). Since 1959, when the FBI adopted the present methodology, Hawaii's overall crime rate has always been higher than the national average.

However, compared to the rest of the country Hawaii ranks very low in violent crimes. We are gaining somewhat in this category—in 1959 Hawaii's violent crime rate was only one-fourth that of the nation, but by 1978 it was slightly over half the national rate. Where Hawaii surpasses the national averages is in simple sneak thievery—burglary, shoplifting, stealing bicycles, stealing cameras from cars, stealing hubcaps, stealing cars, and so forth. Twenty years ago Hawaii's property crime rate was 51 percent above the national average; in 1978 it was 48 percent above. It appears that persons are physically safer in Hawaii than on the Mainland, but that their belongings are more likely to be swiped here. Perhaps this is because houses in Hawaii are open and screens are easy to cut, residents don't like locking cars as closed cars get stuffy, and visitors—here for a few days of sun and fun—are too busy enjoying their vacations to be on guard against thieves.

Statistics compiled by the Hawaii Criminal Justice Statistical Analysis Center show that crimes in Hawaii are distributed roughly according to population distribution. About 80 percent of the crime in the islands occurs on Oahu, where about 80 percent of the state population lives. On Oahu, 62 percent of the crimes occur in urban Honolulu, which has only 49 percent of Oahu's resident population—but Honolulu includes Waikiki, with its average daily census of about 70,000 visitors, who raise Honolulu's share of de facto population (residents plus visitors) to around 60 percent of Oahu's total. Hawaii County has 9 percent of the state's population but only 7 percent of the crime; Maui County has 7 percent of the population and 9 percent of the crime; and Kauai County is just about on target with 3.8 percent of the population and 3.7 percent of the crime. Waikiki, unfortunately, gets more than its fair share of crime, according to 1978 beat statistics of the Honolulu Police Department. Waikiki's total crime rate of 7,339 (per 100,000 population, estimated from its 1978 de facto population of 89,000) is higher than the 6,256 rate for urban Honolulu as a whole. Waikiki's murder and assault rates are lower, but its robbery, burglary, and larceny rates are higher. Resort areas are very attractive to criminals because vacationers carry a lot of cash, forget to lock hotel room doors, and usually don't stay long enough to press charges. However, Waikiki's violent crime rate (507.8) is lower than the violent crime rate for all U.S. metropolitan areas (583.9) and much lower than the violent crime rates in other resort areas, such as Fort Lauderdale (615.0), Atlanta (720.1), Orlando (897.7), New Orleans (939.1), and Miami (1,274.6).

The FBI has not yet computed 1979 comparative crime rate statistics for the U.S., but in April it issued preliminary figures on the number of crimes committed in cities across the nation. Hawaii's residents are shocked that there were 48 murders in Honolulu last year. But there were 134 in Miami, 233 in Atlanta, 654 in Houston, 738 in Los Angeles, 856 in Chicago, and 1,733 in New York. Honolulu reported 1,568 robberies, but Miami had 3,390 and Atlanta had 5,197. And Honolulu's 357 assault cases look insignificant compared to Miami's 3,040 and Atlanta's 4,639.

Certainly there is crime in Hawaii. There is crime wherever you live or wherever you go. Criminals are on the increase, so citizens must be more wary—lock doors, lock cars, guard valuables, carry MasterCard instead of cash, don't take shortcuts through dark alleys. Crime in the United States is a growth industry, growing because it is generally profitable and generally unpunished, despite the best efforts of police forces, who find that their arrests don't stay arrested when they get to court.

First Hawaiian Bank
Established 1858 • Member of F.D.I.C.

business activity-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	May	290,718p	−3.4	11.4
	number	Jan.-May	1,590,824p	.....	−1.4
Westbound	number	May	222,874p	−4.5	14.2
	number	Jan.-May	1,248,771p	.....	−3.6
Eastbound	number	May	67,844p	0.6	3.2
	number	Jan.-May	342,053p	.....	7.6
AVERAGE DAILY VISITOR CENSUS[1]	number	May	75,638	−8.3	10.5
AVERAGE LENGTH OF STAY[1]	no. of days	May	9.7p	−4.9	−4.9
MEETINGS ATTENDANCE	number	Jan.-April	96,131p	.....	29.8
ORGANIZED GROUP TOURS	number	May	57,874p	−22.3	11.1
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	May	101,939p	−1.5	18.3
	number	Jan.-May	568,484p	.....	−3.2
Hawaii	number	May	55,211p	−7.8	2.5
	number	Jan.-May	323,414p	.....	−10.7
Kauai	number	May	58,777p	−4.3	7.8
	number	Jan.-May	314,885p	.....	−7.6
VISITOR ACCOMMODATIONS					
STATE	number	February	54,246	4.8	8.9
Oahu	number	February	34,334	7.0	14.2
Waikiki	number	February	30,443	8.2	15.6
Maui (includes 11 on Lanai)	number	February	9,144	1.0	2.1
Molokai	number	February	557	0	7.1
Hawaii	number	February	5,889	−1.5	−3.3
Kauai	number	February	4,322	5.2	2.9
HOTEL OCCUPANCY					
STATE	percent	May	66.9p	−7.5	5.0
Oahu	percent	May	67.2p	−7.8	5.3
Maui	percent	May	67.8p	−5.6	12.4
Hawaii	percent	May	48.1p	−11.6	−9.1
Kauai	percent	May	65.8	−7.3	−7.1
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	1st Qtr.	331.9	7.1	7.4
Military Payroll	mil. $	1st Qtr.	130.7	−0.5	6.2
Civilian Payroll	mil. $	1st Qtr.	111.2	21.2	7.8
Local Purchases	mil. $	1st Qtr.	90.0	3.8	8.9
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan.-May 31	283.3	.....	−7.7
N. Y. RAW SUGAR PRICE	$/ton	May	641.06	41.1	125.9
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Jan.-Nov. 1979	156,520	.....	26.4
FRESH	thous. lbs.	Jan.-May	85,937	.....	0.1
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	April[3]	228.4	3.2	14.2
All Urban Consumers, All items	1967=100	April[3]	227.4	2.9	13.3
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	June	547.7	−2.9	2.4
GAS SALES	thous. therms	May	4,325	−7.8	−0.7
TELEPHONES IN SERVICE	thous.	May	697.3	0.2	4.3

p=*preliminary*
[1]*Estimated Westbound*
[2]*Gross taxable income valued at time of shipment.*
[3]*Compared to February 1980.*

Sugar

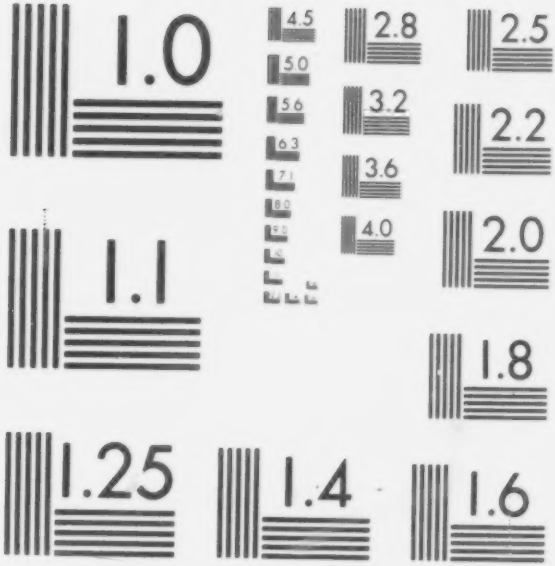
Sugar production through May totaled 283,349 tons, 7.7% behind 1979's first five months production of 306,908 tons. Lower production was largely weather-related. Heavy storms in the early part of the year caused harvesting delays. Muddy fields make it difficult to maneuver equipment and too much water before harvesting reduces yields by diluting the sugar content of the cane. Declines were reported on all islands except Maui where production jumped 21%. Of course, with sugar prices as reflected by the New York raw sugar price double what they were last year ($297.92 in June 1979 and $643.93 in June 1980), lower production has not meant lower revenues for the industry.

business activity-hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	November 1979	116.4	4.2	22.4
	mil. $	Jan.-Nov. 1979	1,226.1	.....	24.2
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Apr.	163,697	.....	6.4
C&C of Honolulu	thous. $	Jan.-May	89,146	.....	−14.5
Maui County	thous. $	Jan.-Apr.	49,297	.....	26.1
Hawaii County	thous. $	Jan.-May	39,740	.....	12.0
Kauai County	thous. $	Jan.-May	24,984	.....	16.4
SINGLE FAMILY UNITS					
STATE	number	Jan.-Apr.	1,461	.....	−25.6
C&C of Honolulu	number	Jan.-May	786	.....	−40.4
Maui County	number	Jan.-Apr.	277	.....	−7.0
Hawaii County	number	Jan.-May	562	.....	−1.9
Kauai County	number	Jan.-May	162	.....	−29.3
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Apr.	1,405	.....	30.5
C&C of Honolulu	number	Jan.-May	781	.....	54.0
Maui County	number	Jan.-Apr.	536	.....	13.8
Hawaii County	number	Jan.-May	293	.....	−19.1
Kauai County	number	Jan.-May	246	.....	69.7
NONRESIDENTIAL					
STATE	thous. $	Jan.-Apr.	129,273	.....	62.7
C&C of Honolulu	thous. $	Jan.-May	98,132	.....	25.7
Maui County	thous. $	Jan.-Apr.	7,187	.....	6.8
Hawaii County	thous. $	Jan.-May	26,824	.....	305.3
Kauai County	thous. $	Jan.-May	15,730	.....	319.0
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-June	76,112	.....	−60.3
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-June	20,591	.....	−56.8
STATE	thous. $	Jan.-June	31,956	.....	−67.8
COUNTY	thous. $	Jan.-June	23,565	.....	−47.5
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-June	57,223	.....	−62.1
Maui County	thous. $	Jan.-June	2,739	.....	−84.7
Hawaii County	thous. $	Jan.-June	12,800	.....	−19.5
Kauai County	thous. $	Jan.-June	3,350	.....	−51.3
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	June	277.1	0.5	5.3
HIGH-RISE	1967=100	June	285.8	0.1	9.0
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	November 1979	1,340.9	−5.5	21.4
	mil. $	Jan.-Nov. 1979	15,789.7	.....	23.1
DIVERSIFIED MANUFACTURING	mil. $	November 1979	38.4	−33.2	−5.1
	mil. $	Jan.-Nov. 1979	524.4	.....	21.1
DIVERSIFIED AGRICULTURE	mil. $	November 1979	8.7	−31.2	−26.4
	mil. $	Jan.-Nov. 1979	139.3	.....	0.9
RETAILING	mil. $	November 1979	454.5	−5.7	21.4
	mil. $	Jan.-Nov. 1979	5,271.4	.....	16.0
WHOLESALING	mil. $	November 1979	420.5	7.1	36.3
	mil. $	Jan.-Nov. 1979	4,481.1	.....	34.7
SERVICES	mil. $	November 1979	229.4	−6.8	14.8
	mil. $	Jan.-Nov. 1979	3,003.8	.....	16.7
OAHU NEW CAR AND PASSENGER TRUCK SALES	number	May	2,361	3.6	−19.4

Energy Consumption

Faced with mounting electric bills, Hawaii residents are tempering their appetites for ever bigger quantities of energy. This year the increase in power consumed will be the smallest recorded in 17 years if the trend of the first six months holds. In fact, it's likely consumers will cut back even more in the latter half of the year as three price increases are scheduled before year end that, according to Hawaiian Electric, will raise the average residential bill 20.3%, from $49.60 to $59.67. By next July, consumers will pay an average $70.21, an increase of 42% in 12 months. All but 9.3% of the scheduled increases reflect fuel oil adjustments resulting from 1) the expiration of long-



MICROCOPY RESOLUTION TEST CHART

NATIONAL BUREAU OF STANDARDS-1963-A

Economic Indicators

ISSN 0015-2757

A Monthly Report by the Research Division *Dr. Thomas K. Hitch, Senior Vice President* *Shurei Hirozawa, Vice President* *August 1980*

10/7/80
B 3500-1

Hawaii's Population Growth

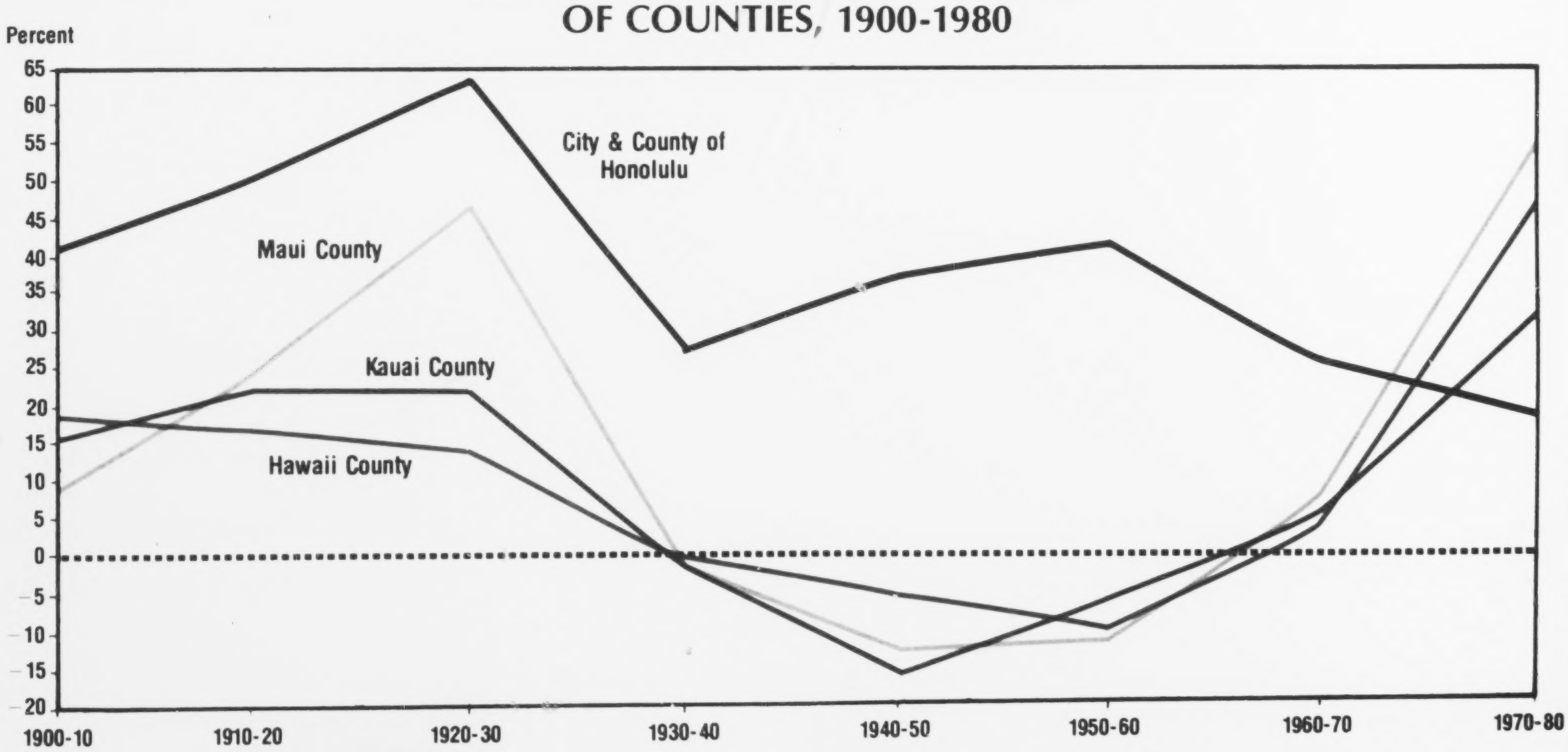
The U.S. Bureau of the Census has now released the 1980 count of population on the Neighbor Islands (the Oahu count has not been completed as of this writing). On April 1, 1980 Maui County had 71,191 residents, Hawaii County had 92,206, and Kauai County had 39,117. The figures corroborate the frequently repeated observation that with the development of new economic activity on the Neighbor Islands, particularly tourism growth, the declining population trend of the decades from 1930 to 1960 has been spectacularly reversed. Despite this year's leveling off of visitor arrivals, we expect the next decade to show even greater economic and population growth on the Neighbor Islands, while Oahu's growth curve will continue diminishing slightly, so that the Neighbor Islands will gradually have a greater proportion of the total state population than in recent decades.

State government policy (which is not always enthusiastically endorsed by the county governments) has long envisioned dispersion of Oahu's dense population to the less crowded Neighbor Islands. But Oahu continues to grow, though now at a somewhat slower rate than the other islands. The preliminary census estimate for Oahu indicates that Oahu's population has increased about 18 percent since 1970, while Maui County grew 54 percent, Hawaii County grew 45 percent, and Kauai County showed a 31 percent increase. Based on the preliminary estimate, Oahu's share of total state population has slipped from almost 82 percent in 1970 to about 79 percent in 1980. In actual numbers Oahu has added more people than all the Neighbor Islands combined, but Oahu's *rate* of growth has slowed while the other counties' rates have accelerated.

Whether we like these trends or not, they cannot be significantly altered because the U.S. Constitution makes it impossible for any area to prevent population immigration, and our pleasant climate makes Hawaii a very attractive place for people to settle.

It is interesting to note that with all the great concern in recent years about Oahu's population growth, Oahu's rate of population increase in the last two decades has been lower than in any of the previous decades in this century, and drastically lower than in some of them.

PERCENT CHANGE IN POPULATION OF COUNTIES, 1900-1980



First Hawaiian Bank
Established 1858 • Member of F.D.I.C.

business activity-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
TOURISM					
OVERNIGHT OR LONGER VISITORS	number	June	338,727p	16.5	1.8
	number	Jan.-June	1,929,513p	.....	−0.8
Westbound	number	June	262,422p	17.7	1.5
	number	Jan.-June	1,511,771p	.....	−2.7
Eastbound	number	June	76,305p	12.5	2.8
	number	Jan.-June	417,742p	.....	6.5
AVERAGE DAILY VISITOR CENSUS[1]	number	June	90,429p	19.6	5.4
AVERAGE LENGTH OF STAY[1]	no. of days	June	9.6	−1.0	3.2
MEETINGS ATTENDANCE	number	Jan.-June	130,587p	.....	31.7
ORGANIZED GROUP TOURS	number	June	65,670p	13.5	−13.4
NEIGHBOR ISLAND VISITORS[1]					
Maui	number	June	119,884p	17.6	2.1
	number	Jan.-June	688,799p	.....	−2.3
Hawaii	number	June	67,852p	22.9	−9.5
	number	Jan.-June	391,515p	.....	−10.5
Kauai	number	June	71,433p	21.5	−2.4
	number	Jan.-June	386,553p	.....	−6.6
VISITOR ACCOMMODATIONS					
STATE	number	June	55,571	2.4	8.6
Oahu	number	June	34,393	0.2	9.5
Waikiki	number	June	30,514	0.2	10.3
Maui (includes 12 on Lanai)	number	June	9,926	8.6	8.7
Molokai	number	June	557	0	7.1
Hawaii	number	June	6,260	6.3	3.4
Kauai	number	June	4,435	2.6	9.1
HOTEL OCCUPANCY					
STATE	percent	June	64.9p	−3.0	−6.1
Oahu	percent	June	68.9p	2.5	−6.6
Maui	percent	June	55.0p	−18.9	−7.4
Hawaii	percent	June	45.1p	−6.2	−15.4
Kauai	percent	June	63.0p	−4.3	−13.6
DEFENSE EXPENDITURES					
APPROPRIATED FUNDS TOTAL	mil. $	1st Qtr.	331.9	7.1	7.4
Military Payroll	mil. $	1st Qtr.	130.7	−0.5	6.2
Civilian Payroll	mil. $	1st Qtr.	111.2	21.2	7.8
Local Purchases	mil. $	1st Qtr.	90.0	3.8	8.9
SUGAR					
SUGAR PRODUCTION	thous. tons	Jan.-June 30	387.6	.....	−9.9
N. Y. RAW SUGAR PRICE	$/ton	June	646.93	0.9	117.1
PINEAPPLE SHIPMENTS					
CANNED[2]	thous. $	Dec. 1979 to present	N.A.	.....	.....
FRESH	thous. lbs.	Jan.-June	103,704	.....	0.3
HONOLULU PRICES					
HONOLULU CONSUMER PRICE INDEX					
Urban Wage Earners and Clerical Workers (Revised), All items	1967=100	June[3]	228.0	−0.2	12.0
All Urban Consumers, All items	1967=100	June[3]	227.5	0	11.3
PUBLIC UTILITIES					
ELECTRICITY GENERATED	mil. KWH	June	547.7	−2.9	2.4
GAS SALES	thous. therms	June	4,337	0.3	0
TELEPHONES IN SERVICE	thous.	June	699.0	0.2	4.7

N.A. = *not available.*
p = *preliminary.*
[1] *Estimated Westbound*
[2] *Gross taxable income valued at time of shipment.*
[3] *Compared to February 1980.*

Inflation: Hawaii and US

The two-month rise in Honolulu consumer prices between April and June would seem to confirm the notion that as the economy goes, so goes inflation. The index at 225.5 in June remained virtually unchanged from the April level of 225.4. The annual rate of change was a mere 0.3% which means that if that rate of change were maintained for an entire year, prices would rise only 0.3%. (But this is dreaming.)

Economic performance so far this year in Hawaii has been rather unscintillating. The rate of increase in tax collections has slowed relative to last year and when adjusted for inflation actually shows a drop. The real estate

business activity-hawaii [cont.]

series	unit	period	number	percent change from preceding period	percent change year ago
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE	mil. $	Dec. 1979 to present	N.A.	.....	.....
	mil. $	Dec. 1979 to present	N.A.	.....	.....
PRIVATE PERMITS AUTHORIZED					
RESIDENTIAL					
STATE	thous. $	Jan.-Apr.	163,697	.....	6.4
C&C of Honolulu	thous. $	Jan.-June	123,172	.....	0.2
Maui County	thous. $	Jan.-Apr.	49,297	.....	26.1
Hawaii County	thous. $	Jan.-June	43,941	.....	6.0
Kauai County	thous. $	Jan.-June	27,393	.....	−37.2
SINGLE FAMILY UNITS					
STATE	number	Jan.-Apr.	1,461	.....	−25.6
C&C of Honolulu	number	Jan.-June	886	.....	−41.7
Maui County	number	Jan.-Apr.	277	.....	−7.0
Hawaii County	number	Jan.-June	660	.....	−6.8
Kauai County	number	Jan.-June	186	.....	−32.4
MULTIPLE FAMILY UNITS					
STATE	number	Jan.-Apr.	1,405	.....	30.5
C&C of Honolulu	number	Jan.-June	1,028	.....	92.1
Maui County	number	Jan.-Apr.	536	.....	13.8
Hawaii County	number	Jan.-June	293	.....	−19.9
Kauai County	number	Jan.-June	246	.....	−43.2
NONRESIDENTIAL					
STATE	thous. $	Jan.-Apr.	129,057	.....	62.5
C&C of Honolulu	thous. $	Jan.-June	119,733	.....	32.4
Maui County	thous. $	Jan.-Apr.	6,971	.....	3.6
Hawaii County	thous. $	Jan.-June	27,675	.....	233.9
Kauai County	thous. $	Jan.-June	16,400	.....	208.3
PUBLIC CONTRACTS AWARDED					
TOTAL GOVERNMENT PROJECTS	thous. $	Jan.-July	97,457	.....	−62.0
BY LEVEL OF GOVERNMENT					
FEDERAL	thous. $	Jan.-July	22,400	.....	−57.8
STATE	thous. $	Jan.-July	42,543	.....	−71.0
COUNTY	thous. $	Jan.-July	32,515	.....	−42.4
BY LOCATION OF PROJECT					
C&C of Honolulu	thous. $	Jan.-July	75,549	.....	−63.2
Maui County	thous. $	Jan.-July	4,095	.....	−82.9
Hawaii County	thous. $	Jan.-July	13,732	.....	−24.1
Kauai County	thous. $	Jan.-July	4,081	.....	−54.0
HONOLULU CONSTRUCTION COST INDEXES					
SINGLE FAMILY	1967=100	July	279.0	0.7	5.4
HIGH-RISE	1967=100	July	288.6	1.0	9.5
BUSINESS SALES					
GROSS BUSINESS RECEIPTS	mil. $	Dec. 1979 to present	N.A.		
	mil. $				
DIVERSIFIED MANUFACTURING	mil. $	Dec. 1979 to present	N.A.		
	mil. $				
DIVERSIFIED AGRICULTURE	mil. $	Dec. 1979 to present	N.A.		
	mil. $				
RETAILING	mil. $	Dec. 1979 to present	N.A.		
	mil. $				
WHOLESALING	mil. $	Dec. 1979 to present	N.A.		
	mil. $				
SERVICES	mil. $	Dec. 1979 to present	N.A.		
	mil. $				
OAHU NEW CAR AND PASSENGER TRUCK SALES	number	June	2,502p	5.4	−17.0

market is soft. And while there aren't any retail sales figures available yet for 1980, Hawaiian Electric reports a flat second quarter for appliance sales. With demand lower, there is less pressure on prices.

Locally, prices for most all categories of goods were weak. But the major factor in complete containment of the index was home-ownership costs which, accounting for 28% of the Honolulu index for all urban consumers, actually declined 1.5%—8.5% at an annual rate. Excluding home-ownership, the costs of all other goods and services combined rose at an annual rate of 3.6%, welcome relief indeed for Honolulu consumers buffeted by

finance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
BANKING					
TOTAL BANK DEPOSITS					
STATE	mil. $	June 30	4,182.8	4.0	13.6
Honolulu County	mil. $	June 30	3,446.3	4.4	14.1
Maui County	mil. $	June 30	261.4	1.4	6.7
Hawaii County	mil. $	June 30	335.5	3.2	17.1
Kauai County	mil. $	June 30	139.7	1.1	8.9
BANK DEMAND DEPOSITS					
STATE	mil. $	June 30	1,321.4	8.1	8.0
Honolulu County	mil. $	June 30	1,110.6	8.4	7.9
Maui County	mil. $	June 30	87.8	9.7	10.1
Hawaii County	mil. $	June 30	89.1	4.3	8.2
Kauai County	mil. $	June 30	33.9	5.4	6.5
DEBITS TO DEMAND DEPOSITS					
STATE	mil. $	June	6,561.2	−4.3	11.1
Honolulu County	mil. $	June	6,013.1	−4.1	11.4
Maui County	mil. $	June	232.8	−8.0	5.1
Hawaii County	mil. $	June	228.5	−6.1	10.9
Kauai County	mil. $	June	86.7	−6.1	9.5
TURNOVER OF DEMAND DEPOSITS					
STATE	annual rate	June	61.91	−7.3	5.9
Honolulu County	annual rate	June	67.59	−7.5	6.4
Maui County	annual rate	June	33.29	−8.2	−1.7
Hawaii County	annual rate	June	31.42	−8.2	0.8
Kauai County	annual rate	June	31.54	−6.3	15.3
TAX COLLECTIONS					
TAX COLLECTIONS—STATE	thous. $	June	82,291	−33.3	7.5
	thous. $	Jan.-June	666,069	.....	10.4
Honolulu County	thous. $	June	71,061	−35.6	4.8
	thous. $	Jan.-June	574,887	.....	10.4
Maui County	thous. $	June	4,491	−31.3	19.8
	thous. $	Jan.-June	34,972	.....	7.0
Hawaii County	thous. $	June	4,918	7.9	42.9
	thous. $	Jan.-June	39,292	.....	11.0
Kauai County	thous. $	June	1,821	−1.0	17.2
	thous. $	Jan.-June	16,918	.....	15.8

employment and unemployment-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
EMPLOYMENT IN STATE AND COUNTIES (number of persons)					
STATE					
Civilian Labor Force	thous	June	403.2p	0.9	0.6
Employment	thous	June	382.6p	0.1	2.7
Unemployment	thous	June	20.5p	17.8	−26.7
Unemployment Rate	percent	June	5.1p	15.9	−27.1
C & C OF HONOLULU					
Civilian Labor Force	thous	June	315.3p	0.4	0.1
Employment	thous	June	299.9p	−0.3	2.1
Unemployment	thous	June	15.4p	17.2	−28.1
Unemployment Rate	percent	June	4.9p	16.7	−27.9
MAUI COUNTY					
Civilian Labor Force	thous	June	34.3p	4.1	4.6
Employment	thous	June	32.7p	3.3	6.4
Unemployment	thous	June	1.6p	23.1	−22.0
Unemployment Rate	percent	June	4.7p	20.5	−24.2
HAWAII COUNTY					
Civilian Labor Force	thous	June	35.5p	1.0	0.9
Employment	thous	June	32.9p	0.2	3.5
Unemployment	thous	June	2.7p	12.8	−22.1
Unemployment Rate	percent	June	7.5p	11.9	−22.7
KAUAI COUNTY					
Civilian Labor Force	thous	June	18.2p	2.8	2.5
Employment	thous	June	17.2p	1.2	3.9
Unemployment	thous	June	0.9p	38.5	−21.7
Unemployment Rate	percent	June	5.0p	31.6	−24.2
JOB COUNT BY INDUSTRY					
TOTAL JOBS-STATE[1]	thous	June	449.5p	0.2	3.3
SUGAR (mill and field)[1]	thous	June	8.7p	1.8	−1.7
PINEAPPLE (cannery and field)[1]	thous	June	7.3p	27.2	−0.7
DIVERSIFIED MANUFACTURING (excluding sugar and pineapple)	thous	June	16.1p	0	0
Durable Goods	thous	June	4.5p	0	−2.2
Non-Durable Goods	thous	June	11.5p	−0.4	0.9
Apparel and Textiles	thous	June	3.2p	0	0
DIVERSIFIED AGRICULTURE[1] (excluding sugar and pineapple but including agricultural self-employed)	thous	June[2]	7.0p	0	−2.8
CONTRACT CONSTRUCTION	thous	June	23.6p	1.9	3.1
TRANSPORTATION	thous	June	21.4p	0.2	1.7
COMMUNICATION	thous	June	7.0p	0.7	3.0
UTILITIES	thous	June	2.6p	2.0	0
RETAIL TRADE	thous	June	88.0p	0.5	3.4
WHOLESALE TRADE	thous	June	19.4p	1.3	6.0
FINANCE, INSURANCE AND REAL ESTATE	thous	June	31.5p	0.8	4.0
HOTEL SERVICES-STATE	thous	June	25.6p	−1.5	7.6
Honolulu County	thous	June	15.8p	−1.9	3.3
Maui County	thous	June	4.9p	0	24.4
Hawaii County	thous	June	3.3p	−1.5	10.2
Kauai County	thous	June	1.7p	−5.6	−8.1
OTHER SERVICES	thous	June	78.3p	−0.2	7.8
FEDERAL GOVERNMENT	thous	June	29.8p	0.5	0.2
Civilian Agencies	thous	June	11.0p	0.9	0.5
Defense Department	thous	June	18.8p	0.3	0
STATE GOVERNMENT	thous	June	45.2p	−4.1	1.3
COUNTY GOVERNMENT	thous	June	13.3p	0.4	0.4
HOURS AND EARNINGS BY INDUSTRY					
CONTRACT CONSTRUCTION					
Average Hourly Earnings	dollars	June	11.54p	−0.7	5.8
Average Weekly Hours	hours	June	31.7p	−18.5	−1.9
MANUFACTURING					
Average Hourly Earnings	dollars	June	6.09p	−10.6	−2.6
Average Weekly Hours	hours	June	37.7p	5.0	1.3
COMMUNICATION AND UTILITIES					
Average Hourly Earnings	dollars	June	9.50p	0.8	10.6
Average Weekly Hours	hours	June	44.1p	−0.7	0.9
TRADE					
Average Hourly Earnings	dollars	June	4.90p	−20.5	−5.4
Average Weekly Hours	hours	June	33.8p	3.0	−0.9
FINANCE					
Average Weekly Earnings	dollars	June	174.62p	−2.5	4.3
HOTELS					
Average Hourly Earnings	dollars	June	5.75p	3.8	7.7
Average Weekly Hours	hours	June	30.2p	−1.0	−2.3
HIRED FARM WORKERS[3]					
Average Hourly Earnings	dollars	April	5.70	9.0	14.5
Average Weekly Hours	hours	April	38.9	17.2	2.9

p=preliminary

[1]Series includes agricultural employment during April survey week.

[2]The most recent estimate of agricultural jobs is included in the total job count even though the period may differ. Agricultural employment is only surveyed quarterly, in January, April, July, and October of each year. These dates apply to the field portions of sugar and pineapple jobs, too.

[3]Includes some office and supervisory workers.

double-digit inflation for the past year and a half.

According to the U.S. city average, consumers nationwide were not so fortunate. The U.S. all urban consumers index rose 2.1% between April and June, an annual rate of 13.3%. The culprit was homeownership costs which reportedly rose an average 27.5% at an annual rate over the two-month period. Without homeownership costs, the index rose an annual rate of 9%, still considerably more than Honolulu prices did. The remainder of the higher rise nationally occurred in energy costs and in the food and transportation sectors which didn't change appreciably in the Honolulu index.

Four-fifths of the June increase in housing costs nationally was attributed to higher mortgage interest costs. Since interest rates locally follow patterns set nationally, it seems a bit strange that Honolulu's housing component didn't escalate similarly. Actually mortgage interest rates peaked in April and declined throughout May and June. The June increase in mortgage rates as measured by the U.S. CPI at a time when announced rates had been falling is explained by the time lag involved between the announcement of new rates and when mortgage contracts

public assistance-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS					
INSURED UNEMPLOYMENT (weekly average)	number	June	10,077	14.2	2.7
INTRASTATE INITIAL CLAIMS	number	June	5,684	9.1	2.1
INTERSTATE INITIAL CLAIMS	number	June	405	4.1	−5.6
UNEMPLOYMENT INSURANCE BENEFITS	thous. $	June	3,686	7.0	10.0
PUBLIC ASSISTANCE					
RECIPIENTS[1]					
Income Maintenance	no./persons	June	70,904	−0.2	1.6
Services	no./cases	2nd Qtr. 1980	12,888	−1.4	−11.6
Medical	no./patients	June	52,520	−7.8	−6.9
Food Stamps	no./persons	June	104,746	0.2	16.8
PAYMENTS					
Income Maintenance	thous. $	June	9,288	0.3	4.8
Services	thous. $	2nd Qtr. 1980	N.A.	.....	.....
Medical	thous. $	June	9,077	−15.0	−8.8
Food Stamps	thous. $	June	5,128	−1.0	40.9

[1]Count of recipients is duplicated. A person may be counted in each category.

are consummated at those rates. In any event, the CPI should record Honolulu rates at the same stage of the loan process as everywhere else. But apparently the mortgage rate decline was picked up first in the Honolulu index, making overall inflation rate comparisons between here and the Mainland highly questionable for this period.

population, personal income-hawaii

series	unit	period	number	percent change from preceding period	percent change year ago
POPULATION					
DE FACTO—STATE	thous.	July 1, 1979	1,012.9	.....	2.3
TOTAL RESIDENT—STATE	thous.	July 1, 1979	914.7	.....	1.4
C & C of Honolulu	thous.	July 1, 1979	729.1	.....	1.0
Maui County	thous.	April 1, 1980	71,191	.....	n.c.
Hawaii County	thous.	April 1, 1980	92,206	.....	n.c.
Kauai County	thous.	April 1, 1980	39,117	.....	n.c.
CIVILIAN RESIDENT—STATE	thous.	July 1, 1979	856.8	.....	1.5
MILITARY PERSONNEL—STATE	number	April 1, 1980	61,019	.....	5.4*
Ashore	number	April 1, 1980	48,813	.....	8.7*
Afloat	number	April 1, 1980	12,206	.....	−5.8*
CIVILIAN DEPENDENTS OF MILITARY	number	April 1, 1980	64,023	.....	−0.8*
FOREIGN IMMIGRATION[1]	number	12 mo. ending June 30	5,937	.....	−10.4
PERSONAL INCOME					
TOTAL PERSONAL INCOME**	mil. $	1st Qtr. 1980	9,178	3.1	13.5
Employment Income[2]	mil. $	1st Qtr. 1980	7,199	2.9	12.8
Manufacturing	mil. $	1st Qtr. 1980	417	3.5	21.9
Construction	mil. $	1st Qtr. 1980	536	2.3	12.8
Wholesale	mil. $	1st Qtr. 1980	321	3.9	13.4
Retail	mil. $	1st Qtr. 1980	840	2.1	11.4
Finance, Ins. & Real Estate	mil. $	1st Qtr. 1980	529	2.5	11.8
Trans., Comm., & Util	mil. $	1st Qtr. 1980	701	1.3	15.7
Services	mil. $	1st Qtr. 1980	1,475	3.0	19.0
Farm & Other	mil. $	1st Qtr. 1980	326	−3.8	16.8
Federal Civilian	mil. $	1st Qtr. 1980	667	−0.6	6.0
Federal Military	mil. $	1st Qtr. 1980	611	4.3	3.4
State & Local	mil. $	1st Qtr. 1980	778	10.4	9.1
Property Income (Dividends, Interest, Rent)	mil. $	1st Qtr. 1980	1,286	5.5	16.3
Transfer Payments (1,131) minus Personal Contributions for Social Ins. (438)	mil. $	1st Qtr. 1980	693	1.2	16.3
PER CAPITA PERSONAL INCOME					
STATE PER CAPITA	dollars	1979	9,353	.....	10.5
PER CAPITA BY COUNTY					
C & C of Honolulu	dollars	1978	8,806	.....	10.6
Maui County	dollars	1978	7,676	.....	10.3
Hawaii County	dollars	1978	6,687	.....	9.2
Kauai County	dollars	1978	7,044	.....	10.0

n.c.=not comparable

*Compared to July 1, 1979.

**Total personal income and all components are seasonally adjusted at annual rates.

[1]These immigration statistics include only those entering Honolulu ports and do not include status changes.

[2]Includes wage and salary disbursements, proprietors' income, and other labor income.

Personal Income

Department of Commerce estimates of total personal income show a 13.5% increase for Hawaii between the first quarters of 1979 and 1980. Hawaii's gain stacked up favorably against the average gain nationwide of 11%, ranking 10th among all the states. The heftier Hawaii gain resulted largely from a more rapid increase in jobs — 4.4% vs. the national gain of 2.5%. About 70% of Hawaii's job increase occurred in the trades and service sectors, which in turn accounted for a little better than 50% of the employment income gain. Significant gains were also recorded in agriculture where employment, excluding sugar and pineapple, rose 23% and total farm income rose 16.8%.

In spite of Hawaii's high marks for income growth over the year, 4.4% more jobs along with 12.6% inflation translates into less in real earnings per worker, even when allowance of a percentage or two is made for the CPI's overstatement of housing costs.

u. s. economic indicators

series	unit	period	number	percent change from preceding period	percent change year ago
GENERAL BUSINESS INDICATORS					
COMPOSITE INDEX OF 12 LEADING INDICATORS*[1]	1967=100	May	123.8	−2.3	−12.4
GROSS NATIONAL PRODUCT**					
In Current Dollars	bil. $	2nd Qtr. 1980	2,523.4p	0.1	8.3
In 1972 Dollars	bil. $	2nd Qtr. 1980	1,410.8p	−2.3	−1.6
PERSONAL INCOME**	bil. $	June	2,085.7p	0.4	9.5
RETAIL SALES*	bil. $	June	75,345	1.5	4.2
INDUSTRIAL PRODUCTION*	1967=100	June	141.2e	−2.4	−7.5
BANKING AND CREDIT					
DEBITS TO DEMAND DEPOSITS**	bil. $	May	35,939.5	5.6	17.4
TURNOVER OF DEMAND DEPOSITS**	annual rate	May	131.6	2.6	17.3
BANK LOANS*	bil. $	June	853.9e	−0.7	6.3
AVERAGE PRIME RATE CHARGED BY BANKS	percent	July	11.48	−9.1	−0.5
CONSUMER INSTALLMENT DEBT*	bil. $	May	303,759	−0.8	5.7
CONSTRUCTION					
CONSTRUCTION PUT IN PLACE**	bil. $	May	218.5	−3.6	−2.0
CONSTRUCTION COST INDEXES					
Residences	1972=100	March	N.A.	.....	.....
Apts., Hotel, Office Bldgs	1972=100	March	N.A.	.....	.....
EMPLOYMENT					
CIVILIAN EMPLOYMENT*	thous	June	96,537	−0.5	−0.1
UNEMPLOYMENT*	thous	June	8,006	−1.8	37.5
UNEMPLOYMENT RATE*	percent	June	7.7	−1.3	35.1
PRICES					
CONSUMER PRICE INDEX (All Items)					
Urban Wage Earners and Clerical Workers (Revised)	1967=100	June	247.8	1.1	14.2
All Urban Consumers	1967=100	June	247.6	1.1	14.3
PRODUCER PRICE INDEXES					
Finished Goods*	1967=100	June	242.3	0.8	13.5
All Commodities	1967=100	June	265.2	0.6	13.6

e=estimated. *Seasonally adjusted.

r=revised. **Seasonally adjusted annual rate.

p=preliminary.

[1]Excludes one indicator series for which data are not yet available.

First Hawaiian Bank Established 1858 Member FDIC